



BERGRIVIER

MUNISIPALITEIT
MUNICIPALITY

DRAFT BUDGET / KONSEP BEGROTING **2016/2017-2017/2018-2018/2019**

29 Maart 2016



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Part 1 – Annual Budget

1.1 Mayor's Report

It is my privilege to table this budget and other related documents for 2016/2017 and the two outer years as prescribed in terms of section 16 of the Municipal Finance Management Act.

As a result of the intensive planning process undertaken through the IDP, the budget presented today is in line with the needs of the communities we serve. The operating budget amounts to R277.092 million. The bulk of the income is derived from Assessment Rates and User Charges for Services.

The capital budget amounts to just more than R55.758 million. Expenditure out of own funds are R10.684 million. New loan funding of R6.750 million will be taken up in the financial year. In addition to this, external grants of R 38.324 million are included in this budget. The Housing Grant funds the bulk of the externally funded projects.

The following adjustments to the employee related costs were made:

- The general salary increase of 6.50% must be implemented.
- Notch increases are limited to 2.30% where applicable.

Given the global economic realities the council's tariff increases were limit to approximately 6% except for electricity where the increase will be 8% on condition that NERSA approves the tariffs.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the Bergrivier Municipality. Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

The application of sound financial management principles in the compilation of the municipality's financial plan is essential and critical to ensure that Bergrivier Municipality remains financially viable and that sustainable municipal services are provided economically and equitably to all communities.

Our responsibility as a sphere of government is to ensure that the quality of life of all that live and work in Bergrivier Municipality is improved. We will continue to engage in both progressive and meaningful discussions with our communities to shape a clear path from which governance, and development, will draw guidance and direction. The Council will continue to pursue and encourage community participation programmes to ensure our plans are in line with community needs.

In conclusion, I would like to thank the Municipal Manager, the Chief Financial Officer and the personnel in the Budget Office, Directors and other personnel who were involved in compiling this IDP and budget. The effort and hard work that have already gone into this have not gone unnoticed and Council would like to express their appreciation to all involved.

1.2 Council Resolution (Recommended)

- 1) The Council of Bergrivier Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - a) The annual budget of the municipality for the financial year 2016/17 and the multi-year and single-year capital appropriations as set out in the following tables:
 - i) Budgeted Financial Performance (revenue and expenditure by standard classification) – Table A2;
 - ii) Budgeted Financial Performance (revenue and expenditure by municipal vote) – Table A3;
 - iii) Budgeted Financial Performance (revenue by source and expenditure by type) – Table A4; and
 - iv) Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source – Table A5.
 - b) The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - i) Budgeted Financial Position – Table A6;
 - ii) Budgeted Cash Flows – Table A7;
 - iii) Cash backed reserves and accumulated surplus reconciliation – Table A8;
 - iv) Asset management – Table A9; and
 - v) Basic service delivery measurement – Table A10.
- 2) The Council of Bergrivier Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2016:
 - a) the tariffs for property rates,
 - b) the tariffs for electricity,
 - c) the tariffs for the supply of water
 - d) the tariffs for sanitation services
 - e) the tariffs for solid waste services
- 3) The Council of Bergrivier Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2016 the tariffs for other services as contained in the tariff list included in the budget document.
- 4) To give proper effect to the municipality's annual budget, the Council of Bergrivier Municipality approves:
 - a) That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of section 8 of the Municipal Budget and Reporting Regulations.
 - b) That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2016/17 financial year limited to an amount of R6.750 million in terms of Section 46 of the Municipal Finance Management Act.
 - c) That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

5) The following policies was reviewed and the Council of Bergrivier Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts the following existing policies:

- a) Asset management policy
- b) Cash Management and Investment policy
- c) Credit control and Debt collection policy
- d) Property Rates policy
- e) Tariff policy
- f) Virement policy
- g) Property Rates Bylaw
- h) Supply Chain Management policy
- i) Borrowing Policy
- j) Funding, Reserves and Long Term Financial Planning Policy
- k) Budget Implementation and Monitoring Policy

POLICIES WITH CHANGES:

KREDIETBEHEER

Vanaf 1 Julie 2016 sal geen diensrekening meer deur 'n huurder geopen kan word nie. Alle diensrekeninge sal vir die rekening van die eienaar wees. Nieteenstaande bogenoemde kan die munisipaliteit steeds op eie diskresie dienskontrakte sluit met huurders. Aansoeke sal op meriete oorweeg word.

Die Munisipale Bestuurder het die reg om enige skuld van 'n huurder oor te plaas na die rekening van die eienaar van dieselfde eiendom, soos vervat in Art 118(3) van die Munisipale Stelsels Wet, Wet 32 van 2000.

Dit is die verantwoordelikheid van die verbruiker om sy korrekte kontakbesonderhede aan die munisipaliteit te verskaf en op datum te hou

STAKING VAN MUNISIPALE DIENSTE

'n Verbruiker moet vooraf 'n skriftelike kennisgewing aan die munisipaliteit gee vir die beëindiging van die ooreenkoms vir die voorsiening van munisipale dienste.

Dit is die verantwoordelikheid van die verbruiker om die munisipaliteit in kennis stel indien dienste nie meer vereis word as gevolg van die verkoop van eiendom of enige ander rede.

Versuim om te voldoen aan die bepalings van die bogenoemde paragraaf bly die verbruikers aanspreeklik vir alle diensrekening en rente daarop van die datum waarop die perseel ontruim is tot die datum waarop die Raad bewus geword het van die ontruiming.

'n Verbruiker sal aanspreeklik wees vir alle agterstallige gelde wat betaalbaar is vir munisipale dienste gelewer voor die beëindiging van 'n ooreenkoms.

GELDE EN HEFFINGS AGTERSTALLIG TEN OPSIGTE VAN MUNISIPALE DIENSTE

Die volgende maatstaf sal gebruik word vir die betaling van die koers wat gelaai word:

0 – 30 dae uitstaande	0%
31 – 60 dae uitstaande	50%
61 – 90 dae uitstaande	65%
91 – 120 dae uitstaande	80%
120 dae plus uitstaande	90%
Uitstaande reelingspaaielemente	90% (ongeach dae uitstaande)

Minimum deposito word bereken op twee (2) maande se gebruik, behalwe waar anders gemeld-

Die munisipaliteit behou die reg voor om dienste deposito's ter enige tyd aan te pas om te voldoen aan die bepalings van 10.4

Waar toegang nie moontlik is nie, aanvaar die eienaar verantwoordelikheid vir die koste vir die skuif van die meteringstoestel.

TARIEFBELEID

Waar daar meer as een aansluiting vir 'n diens per erf is, sal elke aansluiting geag word as 'n aansluitingspunt en sal die basiese dienste op elke aansluiting van toepassing wees.

RATES POLICY

Rates on properties, including properties used for multiple purposes, will be levied in accordance with the permitted or actual use of the property and not necessarily according to its zoning.

DIFFERENTIAL RATES

A municipality may levy different rates for different categories of rateable property, determined in subsection (2) and (3), which must be determined according to the—

- (a) use of the property;
- (b) permitted use of the property; or
- (c) a combination of (a) and (b).

Differential rating among the various property categories will be done by way of setting different Cents in the Rand for each property category.

Recovery of arrear rates from owner

Recovery of arrear rates are dealt with in accordance with the Credit Control and Debt Collection Policy.

Recovery of arrear rates from tenants, occupiers and agents

Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of the Act.

Clearance Certificate

- 8.1 On the sale of any property in the municipal jurisdiction, Council will withhold the transfer until all rates, service and sundry charges and any estimated amounts for the duration of the certificate in connection with the property are paid, by withholding a clearance certificate.
- 8.2 When debt has been written off as irrecoverable it will not be recovered again when a clearance certificate on a property is issued.
- 8.3 The municipality will issue such clearance certificate on receipt of an application on the prescribed form from the conveyer.
- 8.4 All payments will be allocated to the subject property.
- 8.5 No interest shall be paid in respect of these payments.
- 8.6 The Municipality will only issue a clearance certificate once a completed prescribed application form from the conveyer has been received.
- 8.7 Where any residential or non-residential debtor has entered into an arrangement with the Municipality in respect of the arrears on a property, the prescribed certificate as referred to in Section 118 of the Systems Act, will not be issued until such time as the full outstanding amount have been paid.
- 8.8 The rates clearance certificate validation period is 60 days and the amount due for payment is calculated as follows:
 - a. Applications received between the 1st and the 14th of the month will include 3 (three) months advance collections plus all current outstanding debt on the property.
 - b. Applications received between the 15th and the end of the month will include 4 (four) months advance collections plus all current outstanding debt on the property.

Drought relief can be sought in years when the Municipal area or Region is classified as a drought disaster area by Provincial or National Authorities.

Agricultural Properties qualifying for the rebate in terms of 12.2(k) may apply for an additional 5 % drought relief rebate.

The application must be lodged together with the abovementioned rebate application and must include proof of substantial loss of income because of the drought. Evidence can include, but is not limited to:

- Audited Financial Statements or Management Accounts
- Produce delivery statements
- Letter from the Company's Banker stating the year-on-year loss of income

Applications will be considered by the Financial Services committee for approval.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 78 and 79 was used to guide the compilation of the 2016/17 MTREF.

The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water and electricity (due to tariff increases from West Coast District Municipality and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Salary increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Availability of affordable borrowing for the funding of capital projects.

The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:

- The 2015/16 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2016/17 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

The following table is a consolidated overview of the proposed 2016/17 Medium-term Revenue and Expenditure Framework:

Consolidated Overview of the 2016/17 MTREF

Description	Current Year 2015/16		2016/17 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand					
Total Revenue (including capital transfers and contributions)	307,050	316,333	315,416	334,515	357,414
Total Expenditure	258,229	290,483	283,583	296,736	311,180
Surplus/(Deficit) for the year	48,821	25,850	31,833	37,779	46,235
Capital Expenditure	69,200	44,924	55,758	57,202	62,154

Total revenue decreased by R917 000 for the 2016/17 financial year when compared to the 2015/16 Adjustments Budget. This is due to less grants received. For the two outer years, operational revenue will increase by 6.05 and 6.84 per cent respectively.

Total operating expenditure for the 2016/17 financial year has been appropriated at R283.583 million and translates into a budgeted surplus of R31.833 million. When compared to the 2015/16 Adjustments Budget, operational expenditure has decreased by R6.9 million in the 2016/17 budget due to the accounting treatment of the housing grant. The expenditure for the two outer years increases with R13.153 million and R14.444 million respectively.

The capital budget of R55.758 million for 2016/17 increase with 24.17 percent when compared to the 2015/16 Adjustment Budget. This big increase is due to the accounting treatment of the Housing Grant. The capital programme decreases to R57,202 million in the 2017/18 financial year and then evens out in 2018/19 to R62.154 million. Borrowing will contribute 12.10, 10.61 and 8.37 per cent of capital expenditure in each of the MTREF years. The balance will be funded from internally generated funds and grants.

1.4 Operating Revenue Framework

For Bergrivier Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be a minimum of 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R5 000 reduction on the market value of a property will be granted in terms of the Municipality's own Property Rates Policy;
- For pensioners, physically and mentally disabled persons, a maximum rebate of 50 per cent will be granted to owners of rate-able property. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorized as residential.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2016/17 financial year based on approximately 6 per cent increase from 1 July 2016 is contained below:

Comparison of proposed rates to levy for the 2016/17 financial year

Category	Current Tariff (1 July 2015)	Proposed tariff (from 1 July 2016)
	c	C
Residential properties	.00974	.01032
State owned properties	.00974	.01032
Business & Commercial	.01072	.01135
Agricultural	.00244	.00258

1.4.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

Better maintenance of infrastructure, new reservoir construction and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

A tariff increase of approximately 6 per cent from 1 July 2016 for water is proposed. In addition 6 kℓ water per month will **ONLY** be granted free of charge to registered indigent residents.

CATEGORY	CURRENT TARIFFS 2015/16 VAT Incl	PROPOSED TARIFFS 2016/17 VAT Incl
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	6.20	6.57
(ii) 7 to 20 kℓ per 30-day period	12.50	13.25
(iii) 21 to 50 kℓ per 30-day period	12.50	13.25
(iv) 51 to 100 kℓ per 30-day period	14.39	15.25
(v) 101 to 200 kℓ per 30-day period	15.12	16.03
(vi) 201 to 1000 kℓ per 30-day period	15.91	16.86
(vii) 1001 to 1500 kℓ per 30-day period	13.52	14.33
(viii) 1501 to 2000 kℓ per 30-day period	11.48	12.17
(ix) More than 2000 kℓ per 30-day period:	9.72	10.30

The tariff structure of the 2016/17 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption a higher rate, steadily increasing to a rate of R16.86 per kilolitre for consumption in excess of 200kℓ per month, thereafter the rate decrease.

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. An 9.4 percent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2016.

Considering the Eskom increases, the consumer tariff had to be increased by approximately 8 per cent to offset the additional bulk purchase cost from 1 July 2016. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

50 kWh free electricity per month will **ONLY** be granted to registered indigents and households with 20 Ampere connections.

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2011. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor). The council has entered into discussions with NERSA regarding the suitability of the

NERSA proposed stepped tariffs compared to those already being implemented by the Municipality already. Until the discussions are concluded, the Municipality will maintain the current stepped structure of its electricity tariffs.

The approved budget for the Electricity Division can only be utilised for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply).

Owing to the high increases in Eskom's bulk tariffs, it is clearly not possible to fund these necessary upgrades through increases in the municipal electricity tariff – as the resultant tariff increases would be unaffordable for the consumers. It is therefore proposed that the taking up of loans as a strategy for funding of the infrastructure be considered and approved to spread the burden over the life span of the assets.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of approximately 6 per cent for sanitation from 1 July 2016 is proposed. This is based on the input cost assumptions related to water. It should be noted that electricity costs contributes approximately 20 per cent of waste water treatment input costs, therefore higher than CPI increase of 6 per cent for sanitation tariffs. The following factors also contribute to the proposed tariff increase:

- Free sanitation will be applicable to registered indigents; and
- The total revenue expected to be generated from rendering this service amounts to R10.278 million for the 2016/17 financial year.

1.4.5 Waste Removal and Impact of Tariff Increases

An 6 percent increase in the waste removal tariff is proposed from 1 July 2016. Higher increases will not be viable in 2016/17 owing to the significant increases implemented in previous financial years as well as the overall impact of higher than inflation increases of other services. Any increase higher than 6 per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

The following table compares current and proposed amounts payable from 1 July 2016:

Table 5 Comparison between current waste removal fees and increases

	CURRENT TARIFFS 2015/16 VAT Incl.	PROPOSED TARIFFS 2016/17 VAT Incl.
Solid Waste removal	R 180.00	R 191.00

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Table SA14 – Household bills

WC013 Bergrivier - Supporting Table SA14 Household bills											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Rand/cent								% incr.			
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		446.53	482.23	520.77	551.93	551.93	551.93	6.0%	584.80	619.89	657.08
Electricity: Basic levy		128.00	137.59	147.64	165.65	165.65	165.65	8.0%	178.90	189.64	201.01
Electricity: Consumption		854.00	918.02	1,020.76	1,137.88	1,137.88	1,137.88	7.9%	1,227.41	1,301.05	1,379.12
Water: Basic levy		31.32	33.83	36.54	39.00	39.00	39.00	5.1%	41.00	43.46	46.07
Water: Consumption		212.72	258.25	278.99	295.74	295.74	295.74	6.0%	313.54	332.35	352.29
Sanitation		94.75	102.33	110.52	117.15	117.15	117.15	6.4%	124.60	132.07	140.00
Refuse removal		128.02	138.26	149.32	158.27	158.27	158.27	5.7%	167.37	177.41	188.06
Other		—	—	—	—	—	—	—	—	—	—
sub-total		1,895.34	2,070.52	2,264.54	2,465.63	2,465.63	2,465.63	7.0%	2,637.61	2,795.87	2,963.62
VAT on Services		202.83	222.36	244.13	267.92	267.92	267.92	7.3%	287.39	304.64	322.92
Total large household bill:		2,098.18	2,292.88	2,508.67	2,733.55	2,733.55	2,733.55	7.0%	2,925.01	3,100.51	3,286.54
% increase/-decrease			9.3%	9.4%	9.0%	—	—		7.0%	6.0%	6.0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		315.20	340.40	367.60	389.60	389.60	389.60	6.0%	412.80	437.57	463.82
Electricity: Basic levy		128.00	137.59	147.64	165.65	165.65	165.65	8.0%	178.90	189.64	201.01
Electricity: Consumption		372.00	399.89	465.44	513.65	513.65	513.65	7.9%	554.17	587.42	622.67
Water: Basic levy		31.32	33.83	36.54	39.00	39.00	39.00	5.1%	41.00	43.46	46.07
Water: Consumption		168.38	210.37	227.27	240.93	240.93	240.93	6.0%	255.42	270.75	286.99
Sanitation		94.75	102.33	110.52	117.15	117.15	117.15	6.4%	124.60	132.07	140.00
Refuse removal		128.02	138.26	149.32	158.27	158.27	158.27	5.7%	167.37	177.41	188.06
Other		—	—	—	—	—	—	—	—	—	—
sub-total		1,237.67	1,362.67	1,504.32	1,624.25	1,624.25	1,624.25	6.8%	1,734.26	1,838.31	1,948.61
VAT on Services		129.15	143.12	159.14	172.85	172.85	172.85	7.0%	185.00	196.10	207.87
Total small household bill:		1,366.82	1,505.78	1,663.47	1,797.10	1,797.10	1,797.10	6.8%	1,919.26	2,034.42	2,156.48
% increase/-decrease			10.2%	10.5%	8.0%	—	—		6.8%	6.0%	6.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		183.87	198.57	214.43	227.27	227.27	227.27	6.0%	240.80	255.25	270.56
Electricity: Basic levy		—	—	—	—	—	—	—	—	—	—
Electricity: Consumption		237.00	254.77	273.90	299.99	299.99	299.99	8.0%	324.00	343.44	364.05
Water: Basic levy		—	—	—	—	—	—	—	—	—	—
Water: Consumption		124.04	133.98	144.76	153.48	153.48	153.48	6.0%	162.72	172.48	182.83
Sanitation		—	—	—	—	—	—	—	—	—	—
Refuse removal		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
sub-total		544.91	587.31	633.09	680.74	680.74	680.74	6.9%	727.52	771.17	817.44
VAT on Services		50.55	54.42	58.61	63.49	63.49	63.49	7.3%	68.14	72.23	76.56
Total small household bill:		595.45	641.74	691.70	744.22	744.22	744.22	6.9%	795.66	843.40	894.00
% increase/-decrease			7.8%	7.8%	7.6%	—	—		6.9%	6.0%	6.0%

1.5 Operating Expenditure Framework

Bergrivier Municipality's expenditure framework for the 2016/17 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;

- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and

The following table is a high level summary of the 2016/17 budget and MTREF (classified per main type of operating expenditure):

Description	Ref	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Adjusted Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Expenditure By Type					
Employee related costs	2	97,212	107,653	114,128	121,754
Remuneration of councillors		4,573	4,883	5,176	5,486
Debt impairment	3	4,523	8,851	4,524	3,117
Depreciation & asset impairment	2	18,039	18,039	19,122	20,357
Finance charges		11,720	12,214	12,935	13,699
Bulk purchases	2	72,392	76,727	81,331	86,210
Transfers and grants		3,331	3,578	3,863	4,173
Other expenditure	4, 5	78,693	51,639	55,658	56,384
Total Expenditure		290,483	283,583	296,736	311,180

The budgeted allocation for employee related costs for the 2016/17 financial year totals R107.653 million, which equals 37.96 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 6.5 per cent for the 2016/17 financial year.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Council's budget.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R18.039 million for the 2016/17 financial year and equates to 6.36 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 4.31 per cent (R12.214 million) of operating expenditure.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from West Coast District Municipality. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Further details relating to contracted services can be seen in Table SA1.

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

2016/17 Medium-term capital budget per vote

Vote Description	Current Year 2015/16		2016/17 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand					
Capital expenditure - Vote					
Multi-year expenditure to be appropriated					
Vote 1 - Municipal Manager	–	–	–	–	–
Vote 2 - Finance	550	550	850	–	–
Vote 3 - Corporate Services	–	–	380	560	1,190
Vote 4 - Technical Services	43,701	19,883	24,665	28,230	29,665
Capital multi-year expenditure sub-total	44,251	20,433	25,895	28,790	30,855
Single-year expenditure to be appropriated					
Vote 1 - Municipal Manager	84	84	416	235	235
Vote 2 - Finance	280	280	1,030	540	40
Vote 3 - Corporate Services	4,683	4,799	4,449	2,814	4,720
Vote 4 - Technical Services	19,901	19,327	23,968	24,823	26,304
Capital single-year expenditure sub-total	24,949	24,491	29,863	28,412	31,299
Total Capital Expenditure - Vote	69,200	44,924	55,758	57,202	62,154

The Capital Budget increases from R44 924 million in 2015/16 to R55 758 million in 2016/17.

This overall growth of 24.17% can be attributed to various factors:

- The accounting treatment of the Housing Grant.

Total new assets represent 89 per cent or R50.070 million of the total capital budget while asset renewal equates to 11 per cent or R5.689 million. Further detail relating to asset classes and proposed capital expenditure is contained in Table A9 (Asset Management). In addition to the Table A9, Tables SA34a, b, c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class.

The future operational costs and revenues associated with the capital programme have been included in Table SA35.

1.7 Annual Budget Tables

Table A1 - Budget Summary

WC013 Bergvriervier - Table A1 Budget Summary										
Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Financial Performance										
Property rates	38,238	45,148	49,130	51,928	51,114	51,114	51,114	55,677	59,018	62,560
Service charges	98,669	113,012	126,196	139,312	141,882	141,882	141,882	154,300	163,228	172,863
Investment revenue	551	1,285	3,233	2,250	3,250	3,250	3,250	3,200	4,000	4,500
Transfers recognised - operational	35,483	32,866	40,981	40,517	70,948	70,948	70,948	43,931	47,340	51,886
Other own revenue	11,730	17,233	19,931	17,742	18,230	18,230	18,230	19,984	18,890	19,565
Total Revenue (excluding capital transfers and contributions)	184,670	209,545	239,470	251,749	285,424	285,424	285,424	277,092	292,476	311,373
Employee costs	72,161	77,010	86,531	97,727	97,212	97,212	97,212	107,653	114,128	121,754
Remuneration of councillors	4,259	4,735	4,849	5,274	4,573	4,573	4,573	4,883	5,176	5,486
Depreciation & asset impairment	14,481	14,935	15,825	17,944	18,039	18,039	18,039	18,039	19,122	20,357
Finance charges	9,263	9,590	11,631	10,893	11,720	11,720	11,720	12,214	12,935	13,699
Materials and bulk purchases	54,421	54,465	61,596	72,292	72,392	72,392	72,392	76,727	81,331	86,210
Transfers and grants	2,393	2,561	4,742	3,331	3,331	3,331	3,331	3,578	3,863	4,173
Other expenditure	30,951	47,292	42,921	50,768	83,216	83,216	83,216	60,490	60,182	59,500
Total Expenditure	187,929	210,589	228,095	258,229	290,483	290,483	290,483	283,583	296,736	311,180
Surplus/(Deficit)	(3,259)	(1,044)	11,375	(6,480)	(5,060)	(5,060)	(5,060)	(6,491)	(4,260)	194
Transfers recognised - capital	10,885	23,309	24,529	55,301	30,909	30,909	30,909	38,324	42,039	46,041
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	7,627	22,265	35,904	48,821	25,850	25,850	25,850	31,833	37,779	46,235
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	7,627	22,265	35,904	48,821	25,850	25,850	25,850	31,833	37,779	46,235
Capital expenditure & funds sources										
Capital expenditure	19,091	28,436	35,189	69,200	44,924	44,924	44,924	55,758	57,202	62,154
Transfers recognised - capital	11,057	23,916	24,529	55,301	30,826	30,826	30,826	38,324	42,039	46,041
Public contributions & donations	-	-	857	-	83	83	83	-	-	-
Borrowing	3,600	1,740	5,201	6,130	6,130	6,130	6,130	6,750	6,070	5,200
Internally generated funds	4,434	2,780	4,602	7,769	7,885	7,885	7,885	10,684	9,093	10,913
Total sources of capital funds	19,091	28,436	35,189	69,200	44,924	44,924	44,924	55,758	57,202	62,154
Financial position										
Total current assets	67,590	95,141	117,095	105,742	146,341	146,341	146,341	141,149	162,140	174,421
Total non current assets	275,075	290,102	334,574	358,194	362,328	362,328	362,328	400,414	438,454	480,224
Total current liabilities	32,876	40,738	39,910	45,408	58,678	58,678	58,678	49,318	53,772	54,966
Total non current liabilities	100,991	115,040	141,124	128,196	153,506	153,506	153,506	163,928	180,726	187,349
Community wealth/Equity	208,798	229,465	270,635	290,333	296,484	296,484	296,484	328,317	366,097	412,331
Cash flows										
Net cash from (used) operating	18,524	45,431	52,749	30,927	79,140	79,140	79,140	46,536	66,002	71,230
Net cash from (used) investing	(18,080)	(28,782)	(34,220)	(29,899)	(45,074)	(45,074)	(45,074)	(56,125)	(57,162)	(62,127)
Net cash from (used) financing	1,216	5,717	(3,900)	3,800	(6,582)	(6,582)	(6,582)	3,050	9,054	(1,594)
Cash/cash equivalents at the year end	11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974
Cash backing/surplus reconciliation										
Cash and investments available	11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974
Application of cash and investments	(33,950)	(25,831)	(36,261)	(17,278)	(14,648)	(14,648)	(14,648)	(19,713)	(22,877)	(24,273)
Balance - surplus (shortfall)	45,304	59,547	84,605	59,906	84,759	84,759	84,759	83,284	104,342	113,248
Asset management										
Asset register summary (WDV)	273,659	288,688	333,590	356,492	360,475	360,475	360,475	398,194	436,274	478,071
Depreciation & asset impairment	14,481	14,935	15,825	17,944	18,039	18,039	18,039	18,039	19,122	20,357
Renewal of Existing Assets	1,788	2,306	16,798	12,092	13,316	13,316	13,316	5,689	5,419	5,855
Repairs and Maintenance	4,838	4,239	5,059	6,049	6,255	6,255	6,255	6,943	7,345	7,734
Free services										
Cost of Free Basic Services provided	11,665	10,424	7,065	12,238	9,388	9,388	9,388	10,314	11,970	13,700
Revenue cost of free services provided	1,924	2,654	3,018	3,486	3,886	3,886	3,886	3,844	4,074	4,318
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

WC013 Bergrivier - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)										
Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue - Standard										
<i>Governance and administration</i>		67,479	80,671	77,116	78,885	81,017	81,017	89,248	94,767	114,253
Executive and council		24,069	26,094	15,278	18,408	18,871	18,871	23,220	26,364	40,846
Budget and treasury office		42,782	52,426	60,544	59,164	60,450	60,450	65,248	67,577	71,773
Corporate services		629	2,150	1,294	1,313	1,697	1,697	780	826	1,634
<i>Community and public safety</i>		8,349	17,352	25,120	54,329	54,327	54,327	39,441	42,516	44,304
Community and social services		3,913	4,327	6,564	6,243	6,243	6,243	7,076	6,632	7,029
Sport and recreation		2,797	3,442	4,883	5,359	5,357	5,357	4,708	4,995	4,958
Public safety		764	3,407	6,099	4,140	4,140	4,140	4,340	4,600	4,876
Housing		876	6,176	7,573	38,587	38,587	38,587	23,317	26,289	27,441
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		4,292	4,950	5,396	5,928	6,008	6,008	5,890	4,920	5,203
Planning and development		545	760	932	1,102	1,102	1,102	787	835	886
Road transport		3,747	4,189	4,464	4,826	4,906	4,906	5,103	4,085	4,317
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		115,435	129,881	156,367	167,908	174,981	174,981	180,837	192,312	193,655
Electricity		67,739	71,222	82,392	95,519	96,883	96,883	105,750	113,182	120,790
Water		16,712	19,774	37,546	39,030	41,126	41,126	39,997	42,728	43,624
Waste water management		18,915	24,793	15,939	12,515	15,658	15,658	13,266	13,746	10,851
Waste management		12,069	14,092	20,491	20,844	21,314	21,314	21,824	22,656	18,390
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Standard	2	195,556	232,853	263,999	307,050	316,333	316,333	315,416	334,515	357,414
Expenditure - Standard										
<i>Governance and administration</i>		54,959	64,229	48,089	61,141	61,584	61,584	45,944	49,378	52,217
Executive and council		15,851	18,285	15,641	18,448	18,406	18,406	20,640	21,941	23,277
Budget and treasury office		18,219	20,878	8,943	17,583	18,361	18,361	2,800	3,537	3,593
Corporate services		20,889	25,066	23,504	25,110	24,817	24,817	22,503	23,900	25,348
<i>Community and public safety</i>		19,884	22,599	32,193	32,899	62,122	62,122	37,272	39,129	41,435
Community and social services		5,646	5,436	6,814	6,567	6,979	6,979	7,269	7,697	8,146
Sport and recreation		8,066	8,717	10,772	13,232	13,851	13,851	15,115	16,009	16,944
Public safety		4,445	7,594	11,782	11,606	11,801	11,801	13,485	13,940	14,776
Housing		1,727	853	2,824	1,494	29,491	29,491	1,403	1,483	1,569
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		23,401	26,322	27,450	29,394	28,414	28,414	35,122	37,218	38,122
Planning and development		2,510	3,085	3,458	4,412	4,355	4,355	4,522	4,787	4,958
Road transport		20,891	23,237	23,992	24,982	24,058	24,058	30,600	32,431	33,164
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		89,685	97,438	120,364	134,795	138,364	138,364	165,245	171,011	179,406
Electricity		58,581	63,901	79,843	87,342	86,798	86,798	104,481	108,129	114,307
Water		12,957	13,061	16,180	19,075	18,989	18,989	21,739	22,305	24,074
Waste water management		6,043	6,366	6,964	10,219	11,590	11,590	13,513	14,062	13,613
Waste management		12,104	14,110	17,377	18,160	20,987	20,987	25,512	26,515	27,412
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Expenditure - Standard	3	187,929	210,589	228,095	258,229	290,483	290,483	283,583	296,736	311,180
Surplus/(Deficit) for the year		7,627	22,265	35,904	48,821	25,850	25,850	31,833	37,779	46,235

Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

WC013 Bergrivier - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote	1									
Vote 1 - Municipal Manager		24,069	26,094	15,278	18,408	18,871	18,871	23,220	26,364	40,846
Vote 2 - Finance		42,782	52,426	60,544	59,164	60,450	60,450	65,248	67,577	71,773
Vote 3 - Corporate Services		10,402	15,404	20,747	18,849	19,223	19,223	19,541	19,846	21,471
Vote 4 - Technical Services		118,303	138,929	167,431	210,629	217,790	217,790	207,407	220,728	223,325
Total Revenue by Vote	2	195,556	232,853	263,999	307,050	316,333	316,333	315,416	334,515	357,414
Expenditure by Vote to be appropriated	1									
Vote 1 - Municipal Manager		13,035	15,869	15,641	18,448	18,406	18,406	20,640	21,941	23,277
Vote 2 - Finance		10,509	10,677	8,943	17,583	18,361	18,361	2,800	3,537	3,593
Vote 3 - Corporate Services		27,897	35,455	41,656	43,717	45,009	45,009	44,284	46,617	49,281
Vote 4 - Technical Services		136,489	148,587	161,854	178,481	208,707	208,707	215,859	224,641	235,029
Total Expenditure by Vote	2	187,929	210,589	228,095	258,229	290,483	290,483	283,583	296,736	311,180
Surplus/(Deficit) for the year	2	7,627	22,265	35,904	48,821	25,850	25,850	31,833	37,779	46,235

Table A4 - Budgeted Financial Performance (revenue and expenditure)

WC013 Bergvriervier - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source											
Property rates	2	38,238	45,148	49,130	51,928	51,114	51,114	51,114	55,677	59,018	62,560
Property rates - penalties & collection charges		—	—	—	—	—	—	—	—	—	—
Service charges - electricity revenue	2	63,350	70,920	78,356	89,576	90,776	90,776	90,776	102,146	108,481	115,221
Service charges - water revenue	2	16,148	19,586	22,298	24,230	24,630	24,630	24,630	24,765	26,508	28,634
Service charges - sanitation revenue	2	7,116	8,427	9,633	9,558	9,858	9,858	9,858	10,278	10,579	10,846
Service charges - refuse revenue	2	12,054	14,079	15,908	15,948	16,618	16,618	16,618	17,111	17,660	18,162
Service charges - other		—	—	—	—	—	—	—	—	—	—
Rental of facilities and equipment		2,780	3,200	3,676	3,697	3,697	3,697	3,697	4,242	4,498	4,444
Interest earned - external investments		551	1,285	3,233	2,250	3,250	3,250	3,250	3,200	4,000	4,500
Interest earned - outstanding debtors		2,440	3,247	3,197	3,000	3,300	3,300	3,300	4,240	2,200	2,200
Dividends received		—	—	—	—	—	—	—	—	—	—
Fines		760	3,388	6,105	4,107	4,107	4,107	4,107	4,307	4,565	4,839
Licences and permits		1,694	1,907	1,266	1,560	1,560	1,560	1,560	1,560	1,654	1,753
Agency services		1,609	1,803	2,014	2,041	2,041	2,041	2,041	2,041	2,164	2,294
Transfers recognised - operational		35,483	32,866	40,981	40,517	70,948	70,948	70,948	43,931	47,340	51,886
Other revenue	2	2,446	3,688	3,758	3,337	3,525	3,525	3,525	3,594	3,809	4,035
Gains on disposal of PPE		—	—	(85)	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		184,670	209,545	239,470	251,749	285,424	285,424	285,424	277,092	292,476	311,373
Expenditure By Type											
Employee related costs	2	72,161	77,010	86,531	97,727	97,212	97,212	97,212	107,653	114,128	121,754
Remuneration of councillors		4,259	4,735	4,849	5,274	4,573	4,573	4,573	4,883	5,176	5,486
Debt impairment	3	437	4,485	6,544	3,823	4,523	4,523	4,523	8,851	4,524	3,117
Depreciation & asset impairment	2	14,481	14,935	15,825	17,944	18,039	18,039	18,039	18,039	19,122	20,357
Finance charges		9,263	9,590	11,631	10,893	11,720	11,720	11,720	12,214	12,935	13,699
Bulk purchases	2	54,421	54,465	61,596	72,292	72,392	72,392	72,392	76,727	81,331	86,210
Other materials	8	—	—	—	—	—	—	—	—	—	—
Contracted services		5,223	7,465	—	—	—	—	—	—	—	—
Transfers and grants		2,393	2,561	4,742	3,331	3,331	3,331	3,331	3,578	3,863	4,173
Other expenditure	4, 5	25,292	35,343	36,378	46,945	78,693	78,693	78,693	51,639	55,658	56,384
Loss on disposal of PPE		—	—	—	—	—	—	—	—	—	—
Total Expenditure		187,929	210,589	228,095	258,229	290,483	290,483	290,483	283,583	296,736	311,180
Surplus/(Deficit)		(3,259)	(1,044)	11,375	(6,480)	(5,060)	(5,060)	(5,060)	(6,491)	(4,260)	194
Transfers recognised - capital		10,885	23,309	24,529	55,301	30,909	30,909	30,909	38,324	42,039	46,041
Contributions recognised - capital	6	—	—	—	—	—	—	—	—	—	—
Contributed assets		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		7,627	22,265	35,904	48,821	25,850	25,850	25,850	31,833	37,779	46,235
Taxation		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation		7,627	22,265	35,904	48,821	25,850	25,850	25,850	31,833	37,779	46,235
Attributable to minorities		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		7,627	22,265	35,904	48,821	25,850	25,850	25,850	31,833	37,779	46,235
Share of surplus/ (deficit) of associate	7	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year		7,627	22,265	35,904	48,821	25,850	25,850	25,850	31,833	37,779	46,235

Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

WC013 Bergvriër - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding											
Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Municipal Manager		—	—	—	—	—	—	—	—	—	—
Vote 2 - Finance		—	—	—	550	550	550	550	850	—	—
Vote 3 - Corporate Services		—	—	—	—	—	—	—	380	560	1,190
Vote 4 - Technical Services		610	11,273	—	43,701	19,883	19,883	19,883	24,665	28,230	29,665
Capital multi-year expenditure sub-total	7	610	11,273	—	44,251	20,433	20,433	20,433	25,895	28,790	30,855
Single-year expenditure to be appropriated	2										
Vote 1 - Municipal Manager		15	5	92	84	84	84	84	416	235	235
Vote 2 - Finance		69	486	120	280	280	280	280	1,030	540	40
Vote 3 - Corporate Services		1,813	814	3,429	4,683	4,799	4,799	4,799	4,449	2,814	4,720
Vote 4 - Technical Services		16,584	15,858	31,548	19,901	19,327	19,327	19,327	23,968	24,823	26,304
Capital single-year expenditure sub-total		18,481	17,163	35,189	24,949	24,491	24,491	24,491	29,863	28,412	31,299
Total Capital Expenditure - Vote		19,091	28,436	35,189	69,200	44,924	44,924	44,924	55,758	57,202	62,154
Capital Expenditure - Standard											
Governance and administration		1,539	968	1,180	3,143	2,655	2,655	2,655	4,610	1,039	1,624
Executive and council		—	19	28	84	84	84	84	416	235	235
Budget and treasury office		91	448	1,151	830	830	830	830	1,880	540	40
Corporate services		1,447	500	2	2,229	1,741	1,741	1,741	2,314	264	1,349
Community and public safety		1,326	7,584	4,444	42,976	14,774	14,774	14,774	27,667	30,198	33,184
Community and social services		162	211	2,837	719	738	738	738	1,249	1,045	2,095
Sport and recreation		248	845	1,037	2,687	3,442	3,442	3,442	1,678	2,468	1,999
Public safety		915	28	570	1,020	360	360	360	1,460	435	1,690
Housing		—	6,501	—	38,550	10,233	10,233	10,233	23,280	26,250	27,400
Health		—	—	—	—	—	—	—	—	—	—
Economic and environmental services		1,898	1,878	9,560	4,430	4,375	4,375	4,375	3,315	5,480	4,945
Planning and development		—	30	42	50	50	50	50	10	10	10
Road transport		1,898	1,848	9,518	4,380	4,325	4,325	4,325	3,305	5,470	4,935
Environmental protection		—	—	—	—	—	—	—	—	—	—
Trading services		14,329	18,006	20,004	18,651	23,120	23,120	23,120	20,166	20,485	22,401
Electricity		464	555	4,143	5,690	5,690	5,690	5,690	3,646	4,685	5,906
Water		1,452	426	1,705	10,878	12,868	12,868	12,868	6,352	3,450	1,305
Waste water management		11,239	17,021	13,891	1,446	3,925	3,925	3,925	7,870	10,143	11,528
Waste management		1,174	4	266	637	637	637	637	2,298	2,207	3,662
Other		—	—	—	—	—	—	—	—	—	—
Total Capital Expenditure - Standard	3	19,091	28,436	35,189	69,200	44,924	44,924	44,924	55,758	57,202	62,154
Funded by:											
National Government		10,654	16,863	18,151	16,146	19,987	19,987	19,987	14,274	15,159	18,021
Provincial Government		403	7,052	6,378	39,155	10,838	10,838	10,838	24,050	26,880	28,020
District Municipality		—	—	—	—	—	—	—	—	—	—
Other transfers and grants		—	—	—	—	—	—	—	—	—	—
Transfers recognised - capital	4	11,057	23,916	24,529	55,301	30,826	30,826	30,826	38,324	42,039	46,041
Public contributions & donations	5	—	—	857	—	83	83	83	—	—	—
Borrowing	6	3,600	1,740	5,201	6,130	6,130	6,130	6,130	6,750	6,070	5,200
Internally generated funds		4,434	2,780	4,602	7,769	7,885	7,885	7,885	10,684	9,093	10,913
Total Capital Funding	7	19,091	28,436	35,189	69,200	44,924	44,924	44,924	55,758	57,202	62,154

Table A6 - Budgeted Financial Position

WC013 Bergvrierv - Table A6 Budgeted Financial Position											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
ASSETS											
Current assets											
Cash		11,354	33,716	11,784	22,627	33,551	33,551	33,551	23,571	36,465	38,974
Call investment deposits	1	—	—	36,560	20,000	36,560	36,560	36,560	40,000	45,000	50,000
Consumer debtors	1	30,780	54,525	59,289	60,030	69,394	69,394	69,394	70,705	73,531	78,044
Other debtors		21,098	2,572	5,329	2,057	3,773	3,773	3,773	3,893	4,280	4,671
Current portion of long-term receivables		1,981	2,415	1,326	—	—	—	—	—	—	—
Inventory	2	2,377	1,912	2,807	1,028	3,063	3,063	3,063	2,981	2,864	2,733
Total current assets		67,590	95,141	117,095	105,742	146,341	146,341	146,341	141,149	162,140	174,421
Non current assets											
Long-term receivables		1,416	1,414	984	1,702	1,853	1,853	1,853	2,220	2,180	2,153
Investments		—	—	—	—	—	—	—	—	—	—
Investment property		14,022	13,729	12,861	13,729	12,861	12,861	12,861	12,861	12,861	12,861
Investment in Associate		—	—	—	—	—	—	—	—	—	—
Property, plant and equipment	3	258,799	274,153	319,554	339,124	344,743	344,743	344,743	380,212	417,692	457,789
Agricultural		—	—	—	—	—	—	—	—	—	—
Biological		—	—	—	—	—	—	—	—	—	—
Intangible		838	806	1,175	3,639	2,872	2,872	2,872	5,122	5,722	7,422
Other non-current assets		—	—	—	—	—	—	—	—	—	—
Total non current assets		275,075	290,102	334,574	358,194	362,328	362,328	362,328	400,414	438,454	480,224
TOTAL ASSETS		342,666	385,243	451,669	463,937	508,669	508,669	508,669	541,563	600,594	654,646
LIABILITIES											
Current liabilities											
Bank overdraft	1	—	—	—	—	—	—	—	—	—	—
Borrowing	4	3,518	4,083	2,954	—	—	—	—	—	—	—
Consumer deposits		2,516	2,679	2,873	2,965	3,073	3,073	3,073	3,196	3,394	3,594
Trade and other payables	4	18,808	26,578	25,741	36,352	48,427	48,427	48,427	39,312	41,966	44,051
Provisions		8,034	7,398	8,342	6,090	7,179	7,179	7,179	6,810	8,412	7,320
Total current liabilities		32,876	40,738	39,910	45,408	58,678	58,678	58,678	49,318	53,772	54,966
Non current liabilities											
Borrowing		49,204	55,418	46,388	58,747	52,057	52,057	52,057	54,984	63,840	62,045
Provisions		51,787	59,622	94,737	69,449	101,449	101,449	101,449	108,944	116,886	125,303
Total non current liabilities		100,991	115,040	141,124	128,196	153,506	153,506	153,506	163,928	180,726	187,349
TOTAL LIABILITIES		133,868	155,778	181,034	173,603	212,184	212,184	212,184	213,246	234,498	242,315
NET ASSETS	5	208,798	229,465	270,635	290,333	296,484	296,484	296,484	328,317	366,097	412,331
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		199,518	219,345	257,911	279,624	283,723	283,723	283,723	312,686	351,300	395,878
Reserves	4	9,280	10,120	12,724	10,709	12,761	12,761	12,761	15,631	14,797	16,454
TOTAL COMMUNITY WEALTH/EQUITY	5	208,798	229,465	270,635	290,333	296,484	296,484	296,484	328,317	366,097	412,331

Table A7 - Budgeted Cash Flow Statement

WC013 Bergirivier - Table A7 Budgeted Cash Flows											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		38,232	43,106	46,430	51,928	51,114	51,114	51,114	54,383	57,739	61,175
Service charges		99,021	105,688	124,843	137,568	148,245	148,245	148,245	149,590	158,696	165,757
Other revenue		9,342	8,306	8,784	12,645	10,500	10,500	10,500	11,468	14,763	17,836
Government - operating	1	33,851	32,866	36,947	40,517	70,648	70,648	70,648	43,931	47,340	51,886
Government - capital	1	12,334	30,833	23,095	55,301	30,826	30,826	30,826	38,324	42,039	46,041
Interest		551	4,532	3,233	2,250	3,250	3,250	3,250	7,440	6,200	6,700
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(167,024)	(167,940)	(179,588)	(255,058)	(228,182)	(228,182)	(228,182)	(242,808)	(243,978)	(260,292)
Finance charges		(5,390)	(5,618)	(6,253)	(10,893)	(3,930)	(3,930)	(3,930)	(12,214)	(12,935)	(13,699)
Transfers and Grants	1	(2,393)	(6,342)	(4,742)	(3,331)	(3,331)	(3,331)	(3,331)	(3,578)	(3,863)	(4,173)
NET CASH FROM/(USED) OPERATING ACTIVITIES		18,524	45,431	52,749	30,927	79,140	79,140	79,140	46,536	66,002	71,230
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	27	851	(151)	(151)	(151)	(367)	40	27
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(18,080)	(28,782)	(34,247)	(30,750)	(44,924)	(44,924)	(44,924)	(55,758)	(57,202)	(62,154)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(18,080)	(28,782)	(34,220)	(29,899)	(45,074)	(45,074)	(45,074)	(56,125)	(57,162)	(62,127)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		4,049	10,444	194	6,130	6,130	6,130	6,130	6,750	6,070	5,200
Increase (decrease) in consumer deposits		-	-	-	136	108	108	108	123	198	200
Payments											
Repayment of borrowing		(2,833)	(4,727)	(4,094)	(2,465)	(12,820)	(12,820)	(12,820)	(3,823)	2,786	(6,994)
NET CASH FROM/(USED) FINANCING ACTIVITIES		1,216	5,717	(3,900)	3,800	(6,582)	(6,582)	(6,582)	3,050	9,054	(1,594)
NET INCREASE/(DECREASE) IN CASH HELD		1,661	22,366	14,628	4,829	27,483	27,483	27,483	(6,539)	17,894	7,509
Cash/cash equivalents at the year begin:	2	9,693	11,350	33,716	37,799	42,627	42,627	42,627	70,110	63,571	81,465
Cash/cash equivalents at the year end:	2	11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974

Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

WC013 Bergirivier - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available											
Cash/cash equivalents at the year end	1	11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974
Other current investments > 90 days		-	0	0	-	(0)	(0)	(0)	(0)	(0)	(0)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974
Application of cash and investments											
Unspent conditional transfers		181	-	3,733	1,995	(0)	(0)	(0)	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(34,131)	(25,831)	(39,994)	(29,982)	(27,409)	(27,409)	(27,409)	(35,344)	(37,674)	(40,727)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	10,709	12,761	12,761	12,761	15,631	14,797	16,454
Total Application of cash and investments:		(33,950)	(25,831)	(36,261)	(17,278)	(14,648)	(14,648)	(14,648)	(19,713)	(22,877)	(24,273)
Surplus(shortfall)		45,304	59,547	84,605	59,906	84,759	84,759	84,759	83,284	104,342	113,248

Table A9 - Asset Management

WC013 Bergirivier - Table A9 Asset Management										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CAPITAL EXPENDITURE										
Total New Assets	1	17,304	26,130	18,391	57,108	31,607	31,607	50,070	51,783	56,299
Infrastructure - Road transport		566	105	914	1,290	1,230	1,230	1,035	2,355	3,690
Infrastructure - Electricity		250	435	2,292	2,290	2,290	2,290	2,074	2,970	4,436
Infrastructure - Water		1,416	339	1,424	7,561	9,059	9,059	6,167	3,045	770
Infrastructure - Sanitation		10,654	16,766	1,723	875	3,365	3,365	7,379	9,620	9,975
Infrastructure - Other		-	-	556	600	600	600	450	2,150	3,605
Infrastructure		12,886	17,646	6,908	12,616	16,544	16,544	17,105	20,140	22,476
Community		217	523	6,657	38,890	10,552	10,552	24,515	27,725	27,875
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	4,180	7,703	4,140	4,612	3,540	3,540	7,250	3,318	4,348
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		21	258	687	990	971	971	1,200	600	1,600
Total Renewal of Existing Assets	2	1,788	2,306	16,798	12,092	13,316	13,316	5,689	5,419	5,855
Infrastructure - Road transport		1,682	1,763	1,843	2,490	2,490	2,490	1,560	1,660	1,910
Infrastructure - Electricity		-	-	1,092	3,150	3,150	3,150	1,180	1,670	1,470
Infrastructure - Water		-	-	12,087	3,181	3,657	3,657	100	320	450
Infrastructure - Other		-	-	-	-	-	-	10	10	10
Infrastructure		1,682	1,763	15,021	8,821	9,297	9,297	2,850	3,660	3,840
Community		-	-	1,035	2,008	2,720	2,720	809	999	1,125
Other assets	6	106	302	436	512	573	573	980	760	790
Intangibles		-	242	305	750	726	726	1,050	-	100
Total Capital Expenditure	4									
Infrastructure - Road transport		2,248	1,868	2,757	3,780	3,720	3,720	2,595	4,015	5,600
Infrastructure - Electricity		250	435	3,383	5,440	5,440	5,440	3,254	4,640	5,906
Infrastructure - Water		1,416	339	13,511	10,743	12,716	12,716	6,267	3,365	1,220
Infrastructure - Sanitation		10,654	16,766	1,723	875	3,365	3,365	7,379	9,620	9,975
Infrastructure - Other		-	-	556	600	600	600	460	2,160	3,615
Infrastructure		14,568	19,409	21,929	21,438	25,842	25,842	19,955	23,800	26,316
Community		217	523	7,691	40,898	13,273	13,273	25,324	28,724	29,000
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		4,286	8,006	4,576	5,124	4,113	4,113	8,229	4,078	5,138
Intangibles		21	499	992	1,740	1,697	1,697	2,250	600	1,700
TOTAL CAPITAL EXPENDITURE - Asset class	2	19,091	28,436	35,189	69,200	44,924	44,924	55,758	57,202	62,154
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		35,973	41,271	47,204	41,630	47,351	47,351	46,373	46,601	48,101
Infrastructure - Electricity		28,564	28,265	29,910	34,645	33,707	33,707	35,318	38,216	42,275
Infrastructure - Water		33,063	32,140	32,290	53,457	43,180	43,180	47,622	49,051	48,219
Infrastructure - Sanitation		42,728	57,854	69,733	55,891	70,419	70,419	75,118	81,898	88,863
Infrastructure - Other		12,157	10,732	34,468	8,561	31,195	31,195	27,782	25,837	25,101
Infrastructure		152,484	170,263	213,605	194,186	225,852	225,852	232,213	241,603	252,559
Community		23,723	22,423	22,551	62,112	33,870	33,870	57,241	83,895	110,700
Heritage assets		-	454	454	454	454	454	454	454	454
Investment properties		14,022	13,729	12,861	13,729	12,861	12,861	12,861	12,861	12,861
Other assets		82,591	81,013	82,945	82,373	84,566	84,566	90,303	91,739	94,075
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		838	806	1,175	3,639	2,872	2,872	5,122	5,722	7,422
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	273,659	288,688	333,590	356,492	360,475	360,475	398,194	436,274	478,071
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		14,481	14,935	15,825	17,944	18,039	18,039	18,039	19,122	20,357
Repairs and Maintenance by Asset Class	3	4,838	4,239	5,059	6,049	6,255	6,255	6,943	7,345	7,734
Infrastructure - Road transport		618	56	61	93	93	93	103	109	115
Infrastructure - Electricity		447	305	692	835	835	835	881	934	990
Infrastructure - Water		830	285	692	350	400	400	400	424	449
Infrastructure - Sanitation		136	133	263	200	200	200	220	233	247
Infrastructure - Other		-	-	0	4	2	2	429	454	453
Infrastructure		2,031	779	1,709	1,482	1,530	1,530	2,033	2,154	2,254
Other assets	6, 7	2,807	3,460	3,350	4,567	4,725	4,725	4,910	5,191	5,480
TOTAL EXPENDITURE OTHER ITEMS		19,319	19,175	20,884	23,993	24,294	24,294	24,982	26,467	28,091
Renewal of Existing Assets as % of total capex		9.4%	8.1%	47.7%	17.5%	29.6%	29.6%	10.2%	9.5%	9.4%
Renewal of Existing Assets as % of deprecn		12.3%	15.4%	106.1%	67.4%	73.8%	73.8%	31.5%	28.3%	28.8%
R&M as a % of PPE		1.9%	1.5%	1.6%	1.8%	1.8%	1.8%	1.8%	1.8%	1.7%
Renewal and R&M as a % of PPE		2.0%	2.0%	7.0%	5.0%	5.0%	5.0%	3.0%	3.0%	3.0%

Table A10 - Basic Service Delivery Measurement

WC013 Bergvriervier - Table A10 Basic service delivery measurement										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Water:										
Piped water inside dwelling		8,478	8,478	8,505	8,602	8,602	8,602	8,560	8,646	8,732
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		8,478	8,478	8,505	8,602	8,602	8,602	8,560	8,646	8,732
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	8,478	8,478	8,505	8,602	8,602	8,602	8,560	8,646	8,732
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		6,595	6,460	6,754	6,854	6,854	6,854	6,951	7,021	7,091
Flush toilet (with septic tank)		2,127	2,127	2,110	2,075	2,075	2,075	2,000	2,000	2,000
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		8,722	8,587	8,864	8,929	8,929	8,929	8,951	9,021	9,091
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	8,722	8,587	8,864	8,929	8,929	8,929	8,951	9,021	9,091
Energy:										
Electricity (at least min.service level)		2,858	2,295	1,549	1,402	1,402	1,402	1,350	1,300	1,200
Electricity - prepaid (min.service level)		5,561	6,397	7,152	7,157	7,157	7,157	7,400	7,548	7,699
Minimum Service Level and Above sub-total		8,419	8,692	8,701	8,559	8,559	8,559	8,750	8,848	8,899
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	8,419	8,692	8,701	8,559	8,559	8,559	8,750	8,848	8,899
Refuse:										
Removed at least once a week		8,748	8,834	8,941	9,061	9,061	9,061	9,200	9,292	9,385
Minimum Service Level and Above sub-total		8,748	8,834	8,941	9,061	9,061	9,061	9,200	9,292	9,385
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	8,748	8,834	8,941	9,061	9,061	9,061	9,200	9,292	9,385
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		8,407	1,944	1,794	1,734	1,734	1,734	2,245	2,290	2,336
Sanitation (free minimum level service)		2,008	1,772	1,605	1,555	1,555	1,555	1,995	2,195	2,414
Electricity/other energy (50kwh per household per month)		8,149	8,834	1,371	1,553	1,553	1,553	1,995	2,035	2,076
Refuse (removed at least once a week)		2,208	1,946	1,797	1,735	1,735	1,735	2,245	2,470	2,716
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		3,062	1,408	1,318	2,178	1,778	1,778	1,723	2,070	2,280
Sanitation (free sanitation service to indigent households)		2,193	2,272	2,068	2,952	2,552	2,552	2,983	3,478	4,055
Electricity/other energy (50kwh per indigent household per month)		3,148	3,397	561	2,616	1,316	1,316	1,099	1,165	1,235
Refuse (removed once a week for indigent households)		3,263	3,347	3,118	4,492	3,742	3,742	4,509	5,257	6,130
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		11,665	10,424	7,065	12,238	9,388	9,388	10,314	11,970	13,700
Highest level of free service provided per household										
Property rates (R value threshold)		20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)	95	102	111	117	117	117	117	125	132	140
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		1,924	2,654	3,018	3,486	3,886	3,886	3,844	4,074	4,318
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		1,924	2,654	3,018	3,486	3,886	3,886	3,844	4,074	4,318

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Deputy Mayor.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Councils IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2015) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 28 July 2015.

SCHEDULE OF KEY DEADLINES SUMMARY



SUMMARY OF KEY ACTIVITIES OF THE TIME SCHEDULE OF KEY DEADLINES (PROCESS PLAN) FOR THE 2016/17 BUDGET AND IDP REVIEW

Month	Date	Activity
July-2015	21	Ward Committee Meeting Ward 1 - 18:00
July-2015	22	Ward Committee Meeting Ward 2 - 19:00
July-2015	23	Ward Committee Meeting Ward 3 - 19:00
July-2015	28	Submit time schedule of key deadlines (Process Plan) for 2015/16 IDP Review and 2015/16, 2016/17, 2017/18 Budget to Council (MSA 28 & MFMA (21 and 53)). Council to take note of Section 52 (d) Report (Quarter 4 of 2014/15)
		Ward Committee Meeting Ward 4 - 19:00
July-2015	30	Ward Committee Meeting Ward 5 - 19:00
August-2015	4	Ward Committee Meeting Ward 6 - 16:00
August-2015	6	Ward Committee Meeting Ward 7 - 17:00
August-2015	7	Publish Time schedule of key deadlines (Process Plan) (MSA 28(3) and 21) and submit it to relevant Organs of State. Include dates of public meetings in advertisement.
August-2015	17	Public meeting awareness campaign (Min 7 days notice)
August-2015	18	
August-2015	19	

Month	Date	Activity
August-2015	20	
August-2015	21	
August-2015	24	Distribute IDP Forum invitations and agendas (Min 21 days notice)
		Distribute Ward Committee Agendas for IDP planning meeting (Min 7 days notice)
August-2015	31	Ward Committee Meeting (1 & 2)
		Submission of budget statement to Municipal manager (Political principles and parameters of the budget and IDP Process)
September-2015	1	Ward Committee Meeting (3 & 4)
September-2015	2	Ward Committee Meeting (6 & 7)
September-2015	3	Ward Committee Meeting (5)
September-2015	7	IDP Public Meeting – Porterville
September-2015	8	IDP Public Meeting – Piketberg
September-2015	9	IDP Public Meeting –Eendekuil
September-2015	10	IDP Public Meeting - Velddrif/Dwarskersbos
September-2015	14	IDP Public Meeting - Moravian Towns (Goedverwacht/Wittewater)
September-2015	15	IDP Public Meeting - Redelinghuys
September-2015	16	IDP Public Meeting - Aurora
September-2015	17	IDP Representative Forum Workshop - Porterville, Eendekuil, Piketberg
September-2015	18	IDP Representative Forum Workshop - Velddrif, Dwarskersbos, Aurora, Redelinghuys
September-2015	23	Performance evaluations
September-2015	29	Approval of Risk Register and Based Audit Plan
September-2015	30	Consolidated community needs analysis and submission of Provincial and National priorities to Department Local Government for Provincial Delivery Plan
October-2015	6	IDP Indaba
October-2015	7	IDP Indaba
October-2015	8	IDP Indaba
October-2015	14	Strategic Planning Sessions: Technical Services
		Strategic Planning Sessions: Corporate Services
October-2015	15	Strategic Planning Sessions: Technical Services
		Strategic Planning Sessions: Corporate Services
October-2015	16	Strategic Planning Sessions: Technical Services
		Strategic Planning Sessions: Corporate Services
October-2015	21	Strategic Planning Sessions: Financial Services
	22	
	23	
October-2015	29	Council to take note of Section 52 Report (Quarter 1)
October-2015	30	Submission of Directorate Strategic Planning Reports in prescribed format to SM
November-2015	11	Strategic Planning Sessions: Office of MM
November-2015	12	
November-2015	13	
November-2015	16	EMC / Management Strategic Planning Session

Month	Date	Activity
November-2015	19	Council Strategic Planning Session
	20	
December-2015	11	Departments submit Adjustment Budget to Director Finance
January-2016	11	Management discuss division and principles of budget
January-2016	12	Departments submit Capital Budget for 2015/6, 2016/17, 2017/18
January-2016	14	Steering Committee discuss division and principles of budget
January-2016	18	Management submit operating Budget (2015/16, 2016/17, 2017/18)
		Ward Committee Meeting Ward 1 - 18:00
		Ward Committee Meeting Ward 2 - 19:00
January-2016	19	HR submit Personnel budget information
		Ward Committee Meeting Ward 3 - 19:00
		Ward Committee Meeting Ward 4 - 19:00
January-2016	20	Ward Committee Meeting Ward6 - 16:00
		Ward Committee Meeting Ward 7 - 17:00
January-2016	21	Ward Committee Meeting Ward 5 - 19:00
January-2016	22	Steering Committee Discuss Draft Electricity Budget and Tariffs
January-2016	25	Departments Discuss Adjustment Budget
January-2016	27	Steering Committee Discuss Draft Electricity Budget and Tariffs
January-2016	29	EMC/Council approve draft electricity budget and tariffs (2015/16, 2016/17, 2017/18) and notes Mid-Year budget and performance report (S72) (2015/16) Quarter 2 (S52) (2015/16) and table Draft Annual Report (2014/15)
February-2016	1	Management discuss Personnel structure and budget
February-2016	2	Management discuss Draft Adjustment Budget
February-2016	3	Steering Committee Discuss Financial Policy Revisions
February-2016	5	Publicise Draft Annual Report (2014/15) for comment
February-2016	9	IDP Indaba
February-2016	10	IDP Indaba
February-2016	15	Steering Committee Discuss Personnel Structure
February-2016	16	Management discuss Capital Budget for 2016/17, 2017/18, 2018/19
		Council approve Adjustment Budget & SDBIP amendments
February-2016	22	Steering Committee Discuss New Capital Budget (2016/17, 2017/18, 2018/19)
February-2016	23	Steering Committee discuss Budget and tariffs
February-2016	29	Steering Committee discuss Budget and tariffs
March-2016	1	Steering Committee discuss Budget and tariffs
March-2016	3	EMC / Steering Committee Discuss Budget and tariffs
March-2016	4	Closing date for comments on 2014/15 Annual Report
March-2016	9	EMC consider draft budget, IDP Review (2015/16) and SDBIP (2015/16)
March-2016	29	Mayor presents budget and draft IDP review and draft SDBIP to Council for approval. council also approves final Annual Report and adopts Oversight Report
March-2016	30	Publish notice of approval of draft budget and IDP with schedule of public meetings
		Submit Draft IDP Review to Department Local Government for assessment

Month	Date	Activity
March-2016	31	Copies of draft Budget and IDP Review available at libraries
April-2016	4	Public meeting awareness campaign (Min 7 days notice)
	5	
	6	
	7	
	8	
April-2016	11	Ward Committee Meeting (1 & 2)
April-2016	12	Ward Committee Meeting (3 & 4)
April-2016	13	Ward Committee Meeting (6 & 7)
April-2016	14	Ward Committee Meeting (5)
April-2016	18	–Provincial Roadshow
April-2016	25	IDP Representative Forum Workshop - Porterville, Eendekuil, Piketberg
April-2016	26	IDP Representative Forum Workshop - Velddrif, Dwarskersbos, Aurora, Redelinghuys
April-2016	29	Closing date for objections to Budget and IDP Review
		<i>Council to take note of Section 52 Report (Quarter 3)</i>
May-2016	11	Steering Committee / EMC Consider public's comments on Budget and IDP Review
May-2016	13	EMC - Consider public's comments on Budget and IDP Review
May-2016	31	Council approve final IDP Review and Budget
June-2016	1	Submit Budget to NT,PGWC,COCTA
		Submit final budget and IDP Review to IT for website
June-2016	3	Publish notice of Budget and IDP Review approval
June-2016	6	Copies of approved budget and IDP Review made available at libraries
June-2016	13	Draft SDBIP (top layer) and draft performance contracts submitted to Mayor
June-2016	22	Final SDBIP approved by Mayor

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

Bergvriër Municipality approved a five year 3rd generation Integrated Development Plan (IDP) for the 2012/13 – 2016/17 financial years on 24 May 2012. This is the fourth revision (2016/17) of the IDP which was compiled in terms of Section 34(a) of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) (Municipal Systems Act).

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental strategic plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2016/17 MTREF, based on the approved 2015/16 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2016/17 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2015/16 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Council, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Council strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Council's response to these requirements.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2016/17 MTREF and further planning refinements that have directly informed the compilation of the budget:

IDP Goals and Strategic Objectives

GOALS	STRATEGIC OBJECTIVES
1. A financially viable and sustainable Municipality	1. To budget strategically, grow and diversify our revenue and ensure value for money services
2. An effective productive administration capable of sustainable service delivery	2. To create an efficient, effective and accountable administration
3. An open transparent corruption free and responsive Municipality	3. To provide open transparent corruption free governance
	4. To communicate effectively and be responsive to the needs of the Community
4. A quality living environment that is conducive to development and investment	5. To provide and maintain bulk and service infrastructure that will address backlogs and provide for future development
5. A safe, healthy and secure living environment	6. To promote the well-being, health, safety and security of our community
6. Sustainable development of the Municipal Area (environment, economy, people)	7. To develop, manage and regulate the built environment
	8. To conserve and manage the natural environment and mitigate the impacts of climate change
	9. To promote cultural and socio economic development of our community

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities.

The 2016/17 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

WC013 Bergvriev - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand												
To budget strategically, grow and diversify our revenue and ensure value for money services	A financially viable and sustainable Municipality			42,782	52,426	60,544	59,164	60,450	60,450	65,248	67,577	71,773
To create an efficient, effective and accountable administration	An effective productive administration capable of sustainable service delivery			622	2,063	668	706	1,090	1,090	773	819	867
To provide open transparent corruption free governance	An open transparent corruption free and responsive Municipality			24,069	26,094	15,278	18,408	18,871	18,871	23,220	26,364	40,846
To communicate effectively and be responsive to the needs of the Community				-	-	-	-	-	-	-	-	-
To provide and maintain infrastructure to address backlogs and provide for future development	A quality living environment that is conducive to development and investment			116,391	130,943	157,615	169,194	176,346	176,346	182,400	192,644	193,994
To promote the well-being, health, safety and security of our community	A safe, healthy and secure living environment			6,744	10,614	15,528	14,548	14,546	14,546	13,212	14,010	15,274
To develop, manage and regulate the built environment	Sustainable development of the Municipal Area (environment, economy, people)			1,262	6,636	8,078	39,052	39,052	39,052	23,767	26,766	27,947
To conserve and manage the natural environment and mitigate the impacts of climate change	Sustainable development of the Municipal Area (environment, economy, people)			-	-	-	-	-	-	-	-	-
To promote cultural and socio economic development of our community	Sustainable development of the Municipal Area (environment, economy, people)			3,688	4,078	6,289	5,978	5,978	5,978	6,796	6,335	6,714
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	195,556	232,853	263,999	307,050	316,333	316,333	315,416	334,515	357,414

Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating Expenditure

WC013 Bergrivier - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
To budget strategically , grow and diversify our revenue and ensure value for money	A financially viable and sustainable Municipality			10,509	10,677	8,943	17,583	18,361	18,361	2,800	3,537	3,593
To create an efficient, effective and accountable administration	An effective productive administration capable of sustainable service delivery			14,544	18,100	17,334	18,793	19,034	19,034	20,602	21,886	23,216
				-	-							
To provide open transparent corruption free governance	An open transparent corruption free and responsive Municipality			13,035	15,869	15,641	18,448	18,406	18,406	20,640	21,941	23,277
To communicate effectively and be responsive to the needs of the Community	An open transparent corruption free and responsive Municipality			-	-	-	-	-	-	-	-	-
To provide and maintain infrastructure to address backlogs and provide for development and investment	A quality living environment that is conducive to development and investment			120,833	133,244	143,053	158,264	161,084	161,084	194,167	201,666	210,701
							-	-	-	-	-	-
To promote the well-being, health , safety and security of our community	A safe, healthy and secure living environment			18,523	22,135	28,313	30,920	31,214	31,214	29,725	31,131	32,834
To develop , manage and regulate the built environment	Sustainable development of the Municipal Area (environment, economy ,			2,743	2,110	4,035	3,062	30,883	30,883	3,007	3,179	3,364
To conserve and manage the natural environment and mitigate the impacts of climate	Sustainable development of the Municipal Area (environment, economy ,			4,156	4,451	4,853	5,440	5,523	5,523	6,349	6,727	7,128
To promote cultural and socio economic development of our community	Sustainable development of the Municipal Area (environment, economy ,			3,587	4,003	5,923	5,719	5,979	5,979	6,293	6,669	7,068
Allocations to other priorities												
Total Expenditure			1	187,929	210,589	228,095	258,229	290,483	290,483	283,583	296,736	311,180

Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

WC013 Bergvrierv - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
To budget strategically , grow and diversify our revenue and ensure value for money	A financially viable and sustainable Municipality	A		65	-	120	830	830	830	1,880	540	40	
		B				-		-	-	-	-	-	
To create an efficient, effective and accountable administration	An effective productive administration capable of sustainable service delivery	C		512	-	1,189	1,834	1,334	1,334	2,139	164	949	
To create an efficient, effective and accountable administration	An open transparent corruption free and responsive municipality	D		0	-	72	84	84	84	416	235	235	
To provide open transparent corruption free governance	An effective productive administration capable of sustainable service delivery	E		-	-	-	-	-	-	-	-	-	
		F				-		-	-	-	-	-	
To communicate effectively and be responsive to the needs of the community	An open transparent corruption free and responsive municipality	G		-	-	19	-	-	-	-	-	-	
		H				-		-	-	-	-	-	
To provide and maintain bulk and service infrastructure that will address backlogs and	A quality living environment that is conducive to development and investment	I		16,608	28,436	23,656	22,431	26,846	26,846	23,321	25,305	26,386	
		J				-		-	-	-	-	-	
To promote the well-being, health, safety and security of our citizens	A safe, healthy and secure living environment	K		1,695	-	2,741	4,166	4,292	4,292	3,662	3,418	4,484	
		L				-		-	-	-	-	-	
To develop, manage and regulate the built environment	Sustainable development of the municipal area (environment, economy ,	M		211	-	5,684	38,650	10,333	10,333	23,370	26,260	28,490	
		N				-		-	-	-	-	-	
To conserve and manage the natural environment and mitigate the impacts of climate	Sustainable development of the Municipal Area (environment, economy ,	O		-	-	500	600	600	600	150	650	950	
To promote cultural and socio economic development of our community	Sustainable development of the Municipal Area (environment, economy ,	P		-	-	1,207	605	605	605	820	630	620	
Allocations to other priorities			3										
Total Capital Expenditure			1	19,091	28,436	35,189	69,200	44,924	44,924	55,758	57,202	62,154	

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Council has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

The following table sets out the municipalities main performance objectives and benchmarks for the 2016/17 MTREF

Table SA7 - Measurable performance objectives

WC013 Bergvriev - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Vote 1 - Municipal Manager										
Function 1 - Municipal Managers Office										
Sub-function 1 -Municipal Managers										
Quarterly leadership development initiatives	No	4	3	4	4	4	4	4	4	4
Sub-function 2 - Strategic Services										
Client Services Survey	No	1	1	1	1	1	1	1	1	1
Sub-function 3 - Internal Audit										
Approved Risk Based Audit Plan	No	1	1	1	1	1	1	1	1	1
Vote 2 -Finance										
Function 1 -Director Finance										
Sub-function 1 - Revenue										
Improve debtor management and revenue		97.0%	97.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	97.0%
Sub-function 2 - Expenditure										
Implement a centralised SCM system by 30	% of orders processed	0.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 3 - Budget and Treasury										
Submit Section 71 Report by 10th working	No	12	12	12	12	12	12	12	12	12
Vote 3 -Corporate Services										
Function 1 - Director Corporate										
Sub-function 1 - Administration										
Implement SITA Report recommendations	No of licences	0	0	140	170	170	170	170	170	190
Sub-function 2 - Human Resources										
Submit quarterly report on human	No of reports	0	0	4	4	4	4	4	4	4
Sub-function 3 -Planning and Development										
Compile Zoning Scheme By-law	No	0	0	1	0	0	0	0	0	0
Sub-function 3 -Community Services										
Collect 95% of budgeted income for speeding	%	20.0%	20.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	98.0%
Vote 4 -Technical Services										
Function 2 - Director Technical Services										
Sub-function 1 -Water										
Restrict annual water losses to 10%	%	10.9%	10.9%	7.5%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Sub-function 2 - Electricity										
Restrict annual electricity losses to 10%	%	13.0%	13.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Sub-function 3 - Roads										
Fully utilise conditional road maintenance	5	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 4 - Waste management										
Reduce the volume of household waste	%	20.0%	20.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	12.0%
Sub-function 5 - Project management										
Expenditure on MIG Funding	%	100.0%	100.0%	89.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table SA8 - Performance indicators and benchmarks

WC013 Bergrivier - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<u>Borrowing Management</u>											
Credit Rating				6.5%	6.5%	6.5%	6.5%	6.5%			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	6.4%	6.8%	6.9%	5.2%	8.4%	8.4%	8.4%	5.7%	3.4%	6.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	8.1%	8.1%	7.9%	6.3%	11.4%	11.4%	11.4%	6.9%	4.1%	8.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	50.4%	231.0%	2.0%	44.1%	43.7%	43.7%	43.7%	38.7%	40.0%	32.3%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	530.2%	547.6%	364.6%	548.6%	407.9%	407.9%	407.9%	351.8%	431.4%	377.1%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	2.1	2.3	2.9	2.3	2.5	2.5	2.5	2.9	3.0	3.2
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.1	2.3	2.9	2.3	2.5	2.5	2.5	2.9	3.0	3.2
Liquidity Ratio	Monetary Assets/Current Liabilities	0.3	0.8	1.2	0.9	1.2	1.2	1.2	1.3	1.5	1.6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		100.3%	94.1%	97.7%	99.5%	103.2%	103.2%	103.2%	97.0%	97.4%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		100.3%	94.1%	97.7%	99.1%	103.3%	103.3%	103.3%	97.1%	97.4%	96.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	29.9%	29.1%	27.9%	25.3%	26.3%	26.3%	26.3%	27.7%	27.3%	27.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		162.3%	78.8%	42.4%	74.4%	67.2%	67.2%	67.2%	57.6%	47.9%	45.8%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	1,002,999	8,246,379	8,069,840							
	Total Cost of Losses (Rand '000)	6,409	5,526	6,046							
	% Volume (units purchased and generated less units sold)/units purchased and generated	13.24%	10.68%	10.50%					10%		
Water Distribution Losses (2)	Total Volume Losses (kℓ)	239	173	223							
	Total Cost of Losses (Rand '000)	888,849	657,339	960,470							
	% Volume (units purchased and generated less units sold)/units purchased and generated	10.09%	7.57%	8.88%					8%		
Employee costs	Employee costs/(Total Revenue - capital revenue)	39.1%	36.8%	36.1%	38.8%	34.1%	34.1%	34.1%	38.9%	39.0%	39.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	41.4%	39.7%	38.2%	41.0%	35.7%	35.7%		40.6%	40.8%	40.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.6%	2.0%	2.1%	2.4%	2.2%	2.2%		2.5%	2.5%	2.5%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12.9%	11.7%	11.5%	11.5%	10.4%	10.4%	10.4%	10.9%	11.0%	10.9%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	16.1	24.1	42.1	13.1	13.1	13.1	19.0	68.3	17.9	18.9
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	38.6%	36.9%	36.8%	31.8%	37.2%	37.2%	37.2%	34.8%	34.3%	34.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.9	2.4	3.1	2.4	4.0	4.0	4.0	3.3	4.0	4.3

4.1.1 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Council. With the exception of electricity, only registered indigents qualify for the free basic services.

In terms of the Municipality's indigent policy registered households are entitled to 6kl fee water, 50 kwh of electricity, sanitation and free waste removal once a week, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table A10 (Basic Service Delivery Measurement).

2.4 Overview of budget related-policies

The Council budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. The following policies forms part of the budget document and has been reviewed as indicated.

- 2.4.1 Asset management policy
- 2.4.2 Cash Management and Investment policy
- 2.4.3 Credit control and Debt collection policy
- 2.4.4 Property Rates policy
- 2.4.5 Tariff policy
- 2.4.6 Virement policy
- 2.4.7 Property Rates Bylaw
- 2.4.8 Supply Chain Management policy
- 2.4.9 Borrowing Policy
- 2.4.10 Funding, Reserves and Long Term Financial Planning Policy
- 2.4.11 Budget Implementation and Monitoring Policy

POLICIES WITH CHANGES:

KREDIETBEHEER

Vanaf 1 Julie 2016 sal geen dienste rekening meer deur 'n huurder geopen kan word nie. Alle dienste heffings sal vir die rekening van die eienaar wees. Nieteenstaande bogenoemde kan die munisipaliteit steeds op eie diskresie dienskontrakte sluit met huurders. Aansoeke sal op meriete oorweeg word.

Die Munispale Bestuurder het die reg om enige skuld van 'n huurder oor te plaas na die rekening van die eienaar van dieselfde eiendom, soos vervat in Art 118(3) van die Munisipale Stelsels Wet, Wet 32 van 2000.

Dit is die verantwoordelikheid van die verbruiker om sy korrekte kontakbesonderhede aan die munisipaliteit te verskaf en op datum te hou

STAKING VAN MUNISIPALE DIENSTE

'n Verbruiker moet vooraf 'n skriftelike kennisgewing aan die munisipaliteit gee vir die beeindig van die ooreenkoms vir die voorsiening van munisipale dienste.

Dit is die verantwoordelikheid van die verbruiker om die munisipaliteit in kennis stel indien dienste nie meer vereis word as gevolg van die verkoop van eiendom of enige ander rede.

Versuim om te voldoen aan die bepalings van die bogenoemde paragraaf bly die verbruikers aanspreeklik vir alle dienste gehef en rente daarop van die datum waarop die perseel ontruim is tot die datum waarop die Raad bewus geword het van die ontruiming.

'n Verbruiker sal aanspreeklik wees vir alle agterstallige gelde wat betaalbaar is vir munisipale dienste gelewer voor die beëindiging van 'n ooreenkoms.

GELDE EN HEFFINGS AGTERSTALLIG TEN OPSIGTE VAN MUNISIPALE DIENSTE

Die volgende maatstaf sal gebruik word vir die betaling van die koers wat gelaai word:

0 – 30 dae uitstaande	0%
31 – 60 dae uitstaande	50%
61 – 90 dae uitstaande	65%
91 – 120 dae uitstaande	80%
120 dae plus uitstaande	90%
Uitstaande reelingspaaielemente	90% (ongeach dae uitstaande)

Minimum deposito word bereken op twee (2) maande se gebruik, behalwe waar anders gemeld-

Die munisipaliteit behou die reg voor om dienste deposito's ter enige tyd aan te pas om te voldoen aan die bepalings van 10.4

Waar toegang nie moontlik is nie, aanvaar die eienaar verantwoordelikheid vir die koste vir die skuif van die meteringstoestel.

TARIEFBELEID

Waar daar meer as een aansluiting vir 'n diens per erf is, sal elke aansluiting geag word as 'n aansluitingspunt en sal die basiese dienste op elke aansluiting van toepassing wees.

RATES POLICY

Rates on properties, including properties used for multiple purposes, will be levied in accordance with the permitted or actual use of the property and not necessarily according to its zoning.

DIFFERENTIAL RATES

A municipality may levy different rates for different categories of rateable property, determined in subsection (2) and (3), which must be determined according to the—

- (a) use of the property;
- (b) permitted use of the property; or
- (c) a combination of (a) and (b).

Differential rating among the various property categories will be done by way of setting different Cents in the Rand for each property category.

Recovery of arrear rates from owner

Recovery of arrear rates are dealt with in accordance with the Credit Control and Debt Collection Policy.

Recovery of arrear rates from tenants, occupiers and agents

Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of the Act.

Clearance Certificate

- 8.1 On the sale of any property in the municipal jurisdiction, Council will withhold the transfer until all rates, service and sundry charges and any estimated amounts for the duration of the certificate in connection with the property are paid, by withholding a clearance certificate.
- 8.2 When debt has been written off as irrecoverable it will not be recovered again when a clearance certificate on a property is issued.
- 8.3 The municipality will issue such clearance certificate on receipt of an application on the prescribed form from the conveyer.
- 8.4 All payments will be allocated to the subject property.
- 8.5 No interest shall be paid in respect of these payments.
- 8.6 The Municipality will only issue a clearance certificate once a completed prescribed application form from the conveyer has been received.
- 8.7 Where any residential or non-residential debtor has entered into an arrangement with the Municipality in respect of the arrears on a property, the prescribed certificate as referred to in Section 118 of the Systems Act, will not be issued until such time as the full outstanding amount have been paid.
- 8.8 The rates clearance certificate validation period is 60 days and the amount due for payment is calculated as follows:
 - a. Applications received between the 1st and the 14th of the month will include 3 (three) months advance collections plus all current outstanding debt on the property.
 - b. Applications received between the 15th and the end of the month will include 4 (four) months advance collections plus all current outstanding debt on the property.

Drought relief can be sought in years when the Municipal area or Region is classified as a drought disaster area by Provincial or National Authorities.

Agricultural Properties qualifying for the rebate in terms of 12.2(k) may apply for an additional 5 % drought relief rebate.

The application must be lodged together with the abovementioned rebate application and must include proof of substantial loss of income because of the drought. Evidence can include, but is not limited to:

- Audited Financial Statements or Management Accounts
- Produce delivery statements
- Letter from the Company's Banker stating the year-on-year loss of income

Applications will be considered by the Financial Services committee for approval.

2.5 Overview of budget assumptions

Key Financial Indicators

Budget assumptions and parameters are determined in advance of the budget process to allow budgets to be constructed to support the achievement of the longer-term financial and strategic targets. The assumptions and principles applied in the development of this budget are mainly based upon guidelines from national Treasury (expenditure growth) and other external bodies such as the National Regulator of South Africa (NERSA) and West Coast District Municipality. The municipal fiscal environment is influenced by a variety of macro economic control measures. National Treasury determines the ceiling of year-on-year increases in the total operating budget, whilst the national Electricity Regulator (NER) regulates electricity tariff increases. Various government departments also affect municipal service delivery through the level of grants and subsidies.

The following key assumptions underpinned the preparation of the medium-term budget:

Description	2016/17
	%
Inflation rates - CPI	6.6%
Growth	2%
Provision for Doubtful Debt	4%
Remuneration increase	6.5%
Electricity distribution loss	10%
Water distribution loss	8%

2.6 Overview of budget funding

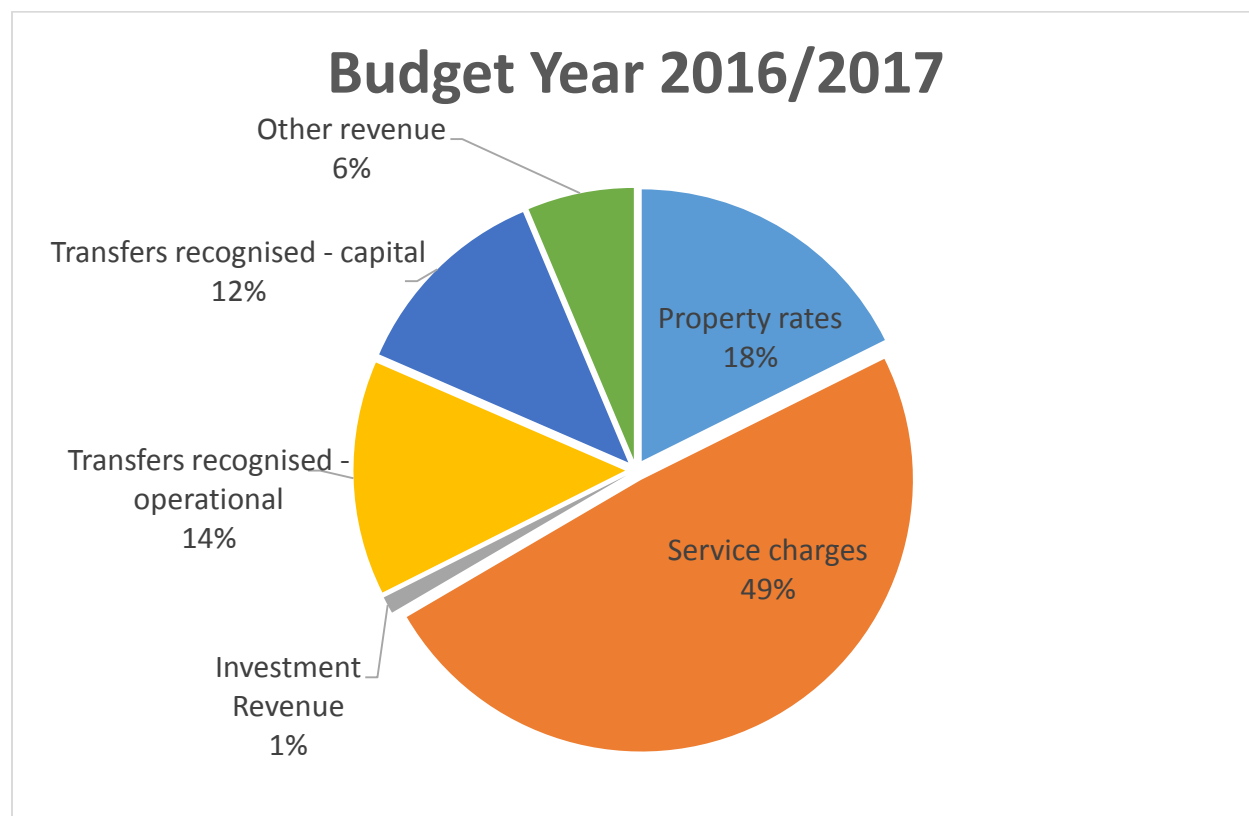
2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium term:

Breakdown of the operating revenue over the medium-term

Description	2016/17 Medium Term Revenue & Expenditure Framework					
R thousand	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
Property rates	55,677	18%	59,018	18%	62,560	18%
Service charges	154,300	49%	163,228	49%	172,863	48%
Investment Revenue	3,200	1%	4,000	1%	4,500	1%
Transfers recognised - operational	43,931	14%	47,340	14%	51,886	15%
Transfers recognised - capital	38,324	12%	42,039	13%	46,041	13%
Other revenue	19,984	6%	18,890	6%	19,565	5%
Total Revenue	315,416	100%	334,515	100%	357,414	100%

The following graph is a breakdown of the operational revenue per main category for the 2016/17 financial year.



The tables below provide detail investment information and investment particulars by maturity.

Table SA15 – Detail Investment Information

WC013 Bergrivier - Supporting Table SA15 Investment particulars by type										
Investment type	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Parent municipality										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	36,560	20,000	36,560	36,560	40,000	45,000	50,000
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	36,560	20,000	36,560	36,560	40,000	45,000	50,000
Entities										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		-	-	36,560	20,000	36,560	36,560	40,000	45,000	50,000

Table SA16 – Investment particulars by maturity

WC013 Bergvliet - Supporting Table SA16 Investment particulars by maturity														
Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of Institution & Investment ID	1	Yrs/Months												
Parent municipality														
ABSA		9 months	call	yes	fixed	7.69				10,000				10,000
Nedbank		9 months	call	yes	fixed	7.65				10,000				10,000
Standard		9 months	call	yes	fixed	7.66				10,000				10,000
Investec		9 months	call	yes	fixed	7.69				10,000				10,000
Municipality sub-total										40,000				40,000
Entities														
Entities sub-total														
TOTAL INVESTMENTS AND INTEREST	1									40,000				40,000

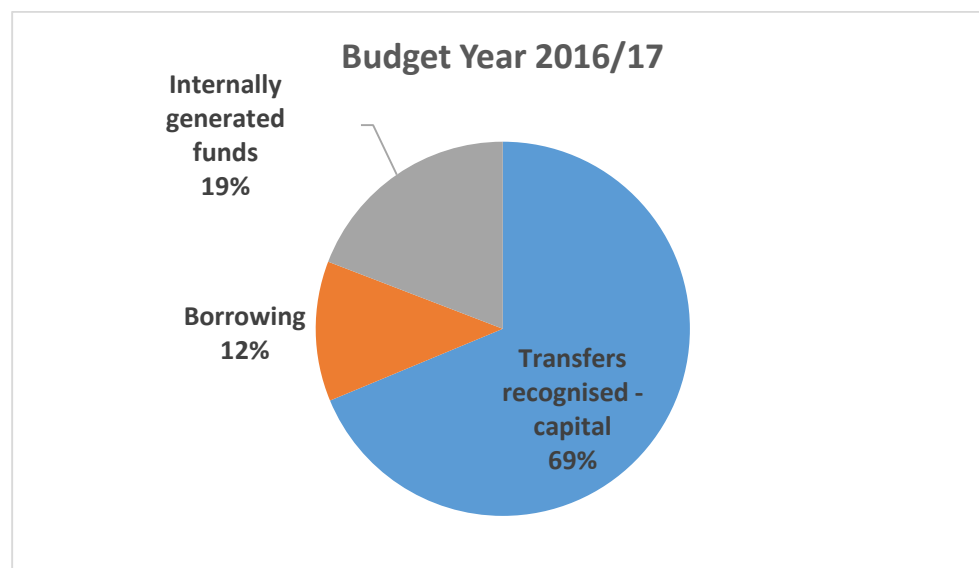
2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2016/17 medium-term capital programme:

Sources of capital revenue over the MTREF

Vote Description	2016/17 Medium Term Revenue & Expenditure Framework							
R thousand	Adjusted Budget	%	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
Funded by:								
National Government	19,987	44%	14,274	26%	15,159	27%	18,021	29%
Provincial Government	10,838	24%	24,050	43%	26,880	47%	28,020	45%
Transfers recognised - capital	30,826	69%	38,324	69%	42,039	73%	46,041	74%
Public contributions & donations	83	0%	–	0%	–	0%	–	0%
Borrowing	6,130	14%	6,750	12%	6,070	11%	5,200	8%
Internally generated funds	7,885	18%	10,684	19%	9,093	16%	10,913	18%
Total Capital Funding	44,924	100%	55,758	100%	57,202	100%	62,154	100%

The above table is graphically represented as follows for the 2016/17 financial year.



Sources of capital revenue for the 2016/17 financial year

Capital grants and receipts equates to 68.73 per cent of the total funding source which represents R38.324 million for the 2016/17 financial year.

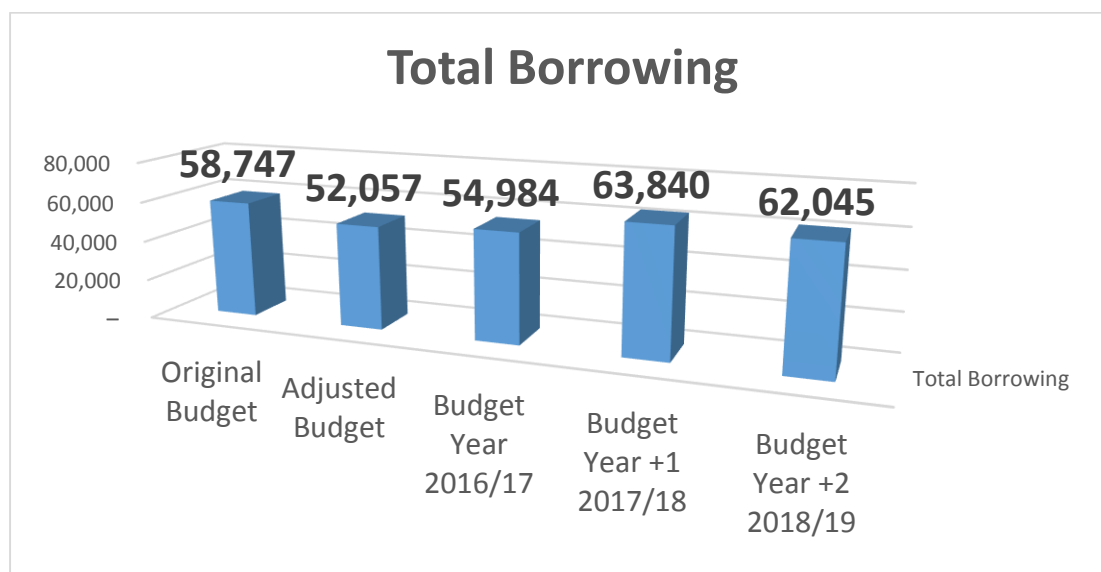
Borrowing still remains a significant funding source for the capital programme over the medium-term with an estimated R6.750 million to be raised for the 2016/2017 financial year totalling 12.11 per cent of the total funding of the capital budget.

The following table is a detailed analysis of the Council's borrowing liability.

Detail of borrowings

Borrowing - Categorised by type	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Long-Term Loans (annuity/reducing balance)	58,747	51,817	51,817	54,716	63,556	61,745
Financial Leases	0	240	240	268	284	300
Total Borrowing	58,747	52,057	52,057	54,984	63,840	62,045

The following graph illustrates the growth in outstanding borrowing for the period 2015/16 to 2018/19.



Growth in outstanding borrowing (long-term liabilities)

Table SA17 Borrowing

WC013 Bergrivier - Supporting Table SA17 Borrowing										
Borrowing - Categorised by type	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Parent municipality										
Long-Term Loans (annuity/reducing balance)		48,979	55,176	49,102	58,747	51,817	51,817	54,716	63,556	61,745
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		226	242	240	0	240	240	268	284	300
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	49,204	55,418	49,341	58,747	52,057	52,057	54,984	63,840	62,045
Total Borrowing	1	49,204	55,418	49,341	58,747	52,057	52,057	54,984	63,840	62,045
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management.

Table A7 - Budget cash flow statement

WC013 Bergrivier - Table A7 Budgeted Cash Flows											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		38,232	43,106	46,430	51,928	51,114	51,114	51,114	54,383	57,739	61,175
Service charges		99,021	105,688	124,843	137,568	148,245	148,245	148,245	149,590	158,696	165,757
Other revenue		9,342	8,306	8,784	12,645	10,500	10,500	10,500	11,468	14,763	17,836
Government - operating	1	33,851	32,866	36,947	40,517	70,648	70,648	70,648	43,931	47,340	51,886
Government - capital	1	12,334	30,833	23,095	55,301	30,826	30,826	30,826	38,324	42,039	46,041
Interest		551	4,532	3,233	2,250	3,250	3,250	3,250	7,440	6,200	6,700
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(167,024)	(167,940)	(179,588)	(255,058)	(228,182)	(228,182)	(228,182)	(242,808)	(243,978)	(260,292)
Finance charges		(5,390)	(5,618)	(6,253)	(10,893)	(3,930)	(3,930)	(3,930)	(12,214)	(12,935)	(13,699)
Transfers and Grants	1	(2,393)	(6,342)	(4,742)	(3,331)	(3,331)	(3,331)	(3,331)	(3,578)	(3,863)	(4,173)
NET CASH FROM/(USED) OPERATING ACTIVITIES		18,524	45,431	52,749	30,927	79,140	79,140	79,140	46,536	66,002	71,230
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables		–	–	27	851	(151)	(151)	(151)	(367)	40	27
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(18,080)	(28,782)	(34,247)	(30,750)	(44,924)	(44,924)	(44,924)	(55,758)	(57,202)	(62,154)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(18,080)	(28,782)	(34,220)	(29,899)	(45,074)	(45,074)	(45,074)	(56,125)	(57,162)	(62,127)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		4,049	10,444	194	6,130	6,130	6,130	6,130	6,750	6,070	5,200
Increase (decrease) in consumer deposits		–	–	–	136	108	108	108	123	198	200
Payments											
Repayment of borrowing		(2,833)	(4,727)	(4,094)	(2,465)	(12,820)	(12,820)	(12,820)	(3,823)	2,786	(6,994)
NET CASH FROM/(USED) FINANCING ACTIVITIES		1,216	5,717	(3,900)	3,800	(6,582)	(6,582)	(6,582)	3,050	9,054	(1,594)
NET INCREASE/ (DECREASE) IN CASH HELD		1,661	22,366	14,628	4,829	27,483	27,483	27,483	(6,539)	17,894	7,509
Cash/cash equivalents at the year begin:	2	9,693	11,350	33,716	37,799	42,627	42,627	42,627	70,110	63,571	81,465
Cash/cash equivalents at the year end:	2	11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

Table A8 - Cash backed reserves/accumulated surplus reconciliation

WC013 Bergrivier - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available											
Cash/cash equivalents at the year end	1	11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974
Other current investments > 90 days		–	0	0	–	(0)	(0)	(0)	(0)	(0)	(0)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974
Application of cash and investments											
Unspent conditional transfers		181	–	3,733	1,995	(0)	(0)	(0)	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	(34,131)	(25,831)	(39,994)	(29,982)	(27,409)	(27,409)	(27,409)	(35,344)	(37,674)	(40,727)
Other provisions		–	–	–	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	10,709	12,761	12,761	12,761	15,631	14,797	16,454
Total Application of cash and investments:		(33,950)	(25,831)	(36,261)	(17,278)	(14,648)	(14,648)	(14,648)	(19,713)	(22,877)	(24,273)
Surplus(shortfall)		45,304	59,547	84,605	59,906	84,759	84,759	84,759	83,284	104,342	113,248

2.6.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table SA10 – Funding compliance measurement

WC013 Bergvriër Supporting Table SA10 Funding measurement												
Description	MFMA section	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<u>Funding measures</u>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	11,354	33,716	48,344	42,627	70,110	70,110	70,110	63,571	81,465	88,974
Cash + investments at the yr end less applications - R'000	18(1)b	2	45,304	59,547	84,605	59,906	84,759	84,759	84,759	83,284	104,342	113,248
Cash year end/monthly employee/supplier payments	18(1)b	3	0.9	2.4	3.1	2.4	4.0	4.0	4.0	3.3	4.0	4.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	7,627	22,265	35,904	48,821	25,850	25,850	25,850	31,833	37,779	46,235
Service charge rev % change - macro CPI target exclusive	18(1)a,(2)	5	N.A.	9.5%	4.9%	3.1%	(5.1%)	(6.0%)	(6.0%)	2.8%	(0.2%)	(0.1%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	98.6%	89.6%	92.2%	96.7%	99.4%	99.4%	99.4%	93.7%	95.9%	96.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.3%	2.8%	3.7%	2.0%	2.3%	2.3%	2.3%	4.2%	2.0%	1.3%
Capital payments % of capital expenditure	18(1)c,19	8	94.7%	101.2%	97.3%	44.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	50.4%	231.0%	1.8%	44.1%	43.5%	43.5%	43.5%	38.7%	40.0%	32.3%
Grants % of Govt legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	10.5%	10.8%	(5.8%)	17.8%	0.0%	0.0%	2.0%	4.3%	6.3%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(0.1%)	(30.4%)	73.0%	8.8%	0.0%	0.0%	19.8%	(1.8%)	(1.2%)
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.9%	1.5%	1.6%	1.8%	1.8%	1.8%	2.0%	1.8%	1.8%	1.7%
Asset renew al % of capital budget	20(1)(vi)	14	9.4%	8.1%	47.7%	17.5%	29.6%	29.6%	0.0%	10.2%	9.5%	9.4%

2.7 Expenditure on grants and reconciliations of unspent funds

Table SA18 Transfers and grant receipts

WC013 Bergrivier - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		30,793	27,841	31,810	35,069	35,621	35,621	37,767	41,481	45,525
Local Government Equitable Share		22,679	24,815	27,489	30,454	30,454	30,454	33,341	37,095	40,634
Finance Management		1,232	1,284	1,150	1,000	1,000	1,000	725	1,550	1,550
Municipal Systems Improvement		337	742	334	300	300	300	—	—	160
Integrated National Electrification Program(Eskom)		—	—	—	—	—	—	246	370	614
Integrated National Electrification Programme (Eskom)		4,200	—	—	—	—	—	—	—	—
EPWP Incentive		896	1,000	1,147	1,070	1,070	1,070	1,141	—	—
Municipal Infrastructure (MIG)		—	—	1,690	—	2,245	2,245	2,314	2,466	2,567
ACIP		1,449	—	—	2,245	552	552	—	—	—
Provincial Government:		4,662	5,129	6,551	5,448	35,027	35,027	6,164	5,859	6,361
CDW - Operational Support Grant		94	33	35	36	36	36	37	37	37
Library Services		3,640	783	871	1,325	1,325	1,325	3,055	2,369	2,511
Maintenance of Proclaimed Roads		—	53	70	87	87	87	97	—	—
Financial Management Grant - Internal Audit		—	250	—	—	263	263	—	—	—
Mandela Memorialisation Support Grant		—	100	—	—	—	—	—	—	—
Library Service: Replacement Funding For Most V		—	3,110	4,154	4,000	4,000	4,000	2,855	3,213	3,453
Finance Management		98	800	820	—	800	800	120	240	360
Development of Sport and Recreation Facilities		—	—	—	—	200	200	—	—	—
Housing		829	—	—	—	28,317	28,317	—	—	—
Water Witterwater		—	—	—	—	—	—	—	—	—
Municipal Infrastructure Support Grant		—	—	600	—	—	—	—	—	—
Municipal Infrastructure (MIG)		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
West Coast DM - LED		—	—	—	—	—	—	—	—	—
Other grant providers:		29	—	—	—	300	300	—	—	—
Lotto		29	—	—	—	—	—	—	—	—
Chieta		—	—	—	—	300	300	—	—	—
Total Operating Transfers and Grants	5	35,483	32,969	38,361	40,517	70,948	70,948	43,931	47,340	51,886
Capital Transfers and Grants										
National Government:		10,810	21,495	15,074	16,046	19,987	19,987	14,074	14,959	17,821
Municipal Infrastructure (MIG)		10,350	21,331	12,074	11,956	11,956	11,956	11,570	12,329	12,835
DME Electricity		—	—	—	—	—	—	—	—	—
Integrated National Electrification Programme (Municipal)		—	—	2,100	3,000	3,000	3,000	1,754	2,630	4,386
Integrated National Electrification Programme (Eskom)		—	—	—	—	—	—	—	—	—
Municipal Systems Improvement		460	148	600	640	640	640	—	—	600
Finance Management		—	16	300	450	450	450	750	—	—
ACIP		—	—	—	—	3,941	3,941	—	—	—
Provincial Government:		—	8,742	6,331	39,155	10,838	10,838	24,050	26,880	28,020
Housing		—	8,212	5,502	38,550	10,233	10,233	23,280	26,250	27,400
Construction Sidewalks		—	—	—	—	—	—	—	—	—
Human Settlements Development Grant		—	—	—	—	—	—	—	—	—
Library Services		—	125	829	605	605	605	770	630	620
Finance Management		—	—	—	—	—	—	—	—	—
Development of Sport and Recreation Facilities		—	405	—	—	—	—	—	—	—
Thusong (Multi-Purpose) Centres Grant		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
West Coast DM - LED		—	—	—	—	—	—	—	—	—
Other grant providers:		75	493	83	100	—	—	200	200	200
Lotto		75	493	—	—	—	—	—	—	—
Cerebos		—	—	83	100	—	—	200	200	200
Total Capital Transfers and Grants	5	10,885	30,730	21,488	55,301	30,826	30,826	38,324	42,039	46,041
TOTAL RECEIPTS OF TRANSFERS & GRANTS		46,368	63,700	59,849	95,818	101,774	101,774	82,255	89,379	97,927

Table SA19 - Expenditure on transfers and grant programmes

WC013 Bergvrierv - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		30,793	27,841	32,241	35,069	35,621	35,621	37,767	41,481	45,525
Local Government Equitable Share		22,679	24,815	27,489	30,454	30,454	30,454	33,341	37,095	40,634
Finance Management		1,232	1,284	1,150	1,000	1,000	1,000	725	1,550	1,550
Municipal Systems Improvement		337	742	334	300	300	300	-	-	160
Integrated National Electrification Program(Eskom)		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme (Municipal) Grant		4,200	-	-	-	-	-	246	370	614
EPWP Incentive		896	1,000	1,147	1,070	1,070	1,070	1,141	-	-
mig		1,449	-	2,121	2,245	2,245	2,245	2,314	2,466	2,567
ACIP		-	-	-	-	552	552	-	-	-
Provincial Government:		4,662	5,021	8,698	5,448	6,711	6,711	6,164	5,859	6,361
CDW - Operational Support Grant		94	33	35	36	36	36	37	37	37
Library Services		3,640	783	871	1,325	1,325	1,325	3,055	2,369	2,511
Maintenance of Proclaimed Roads		-	53	70	87	87	87	97	-	-
Financial Management Grant - Internal Audit		-	250	-	-	263	263	-	-	-
Mandela Memorialisation Support Grant		-	100	-	-	-	-	-	-	-
Library Service: Replacement Funding For Most Vulnerable		-	3,088	4,154	4,000	4,000	4,000	2,855	3,213	3,453
Finance Management		98	688	984	-	800	800	120	240	360
Municipal Performance Management Grant		-	-	-	-	200	200	-	-	-
Housing Consuming Education		-	26	1	-	-	-	-	-	-
Development of Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Housing		829	-	1,982	-	-	-	-	-	-
Water Wiltewater		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Support Grant		-	-	600	-	-	-	-	-	-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-	-	-
District Municipality:		-	5	42	-	-	-	-	-	-
West Coast DM		-	5	42	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		29	-	-	-	300	300	-	-	-
Lotto		29	-	-	-	-	-	-	-	-
Chieta		-	-	-	-	300	300	-	-	-
Total operating expenditure of Transfers and Grants:		35,483	32,866	40,981	40,517	42,631	42,631	43,931	47,340	51,886
Capital expenditure of Transfers and Grants										
National Government:		10,810	16,640	18,151	16,046	19,987	19,987	14,074	14,959	17,821
Municipal Infrastructure (MIG)		10,350	16,475	15,151	11,956	11,956	11,956	11,570	12,329	12,835
DME Electricity		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme (Municipal) Grant		-	-	2,100	3,000	3,000	3,000	1,754	2,630	4,386
Integrated National Electrification Programme (Eskom) Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement		460	148	600	640	640	640	-	-	600
Finance Management		-	-	300	450	450	450	750	-	-
ACIP		-	16	-	-	3,941	3,941	-	-	-
Provincial Government:		-	6,669	6,378	39,155	39,155	39,155	24,050	26,880	28,020
Housing		-	6,102	5,550	38,550	38,550	38,550	23,280	26,250	27,400
Construction Sidewalks		-	-	-	-	-	-	-	-	-
Human Settlements Development Grant		-	-	-	-	-	-	-	-	-
Library Services		-	147	829	605	605	605	770	630	620
Housing Consuming Education		-	2	-	-	-	-	-	-	-
Development of Sport and Recreation Facilities		-	405	-	-	-	-	-	-	-
Finance Management		-	14	-	-	-	-	-	-	-
CDW Contribution		-	-	-	-	-	-	-	-	-
Thusong (Multi-Purpose) Centres Grant		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
West Coast DM		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		75	-	-	100	83	83	200	200	200
Lotto		75	-	-	-	-	-	-	-	-
Cerebos		-	-	-	100	83	83	200	200	200
Total capital expenditure of Transfers and Grants		10,885	23,309	24,529	55,301	59,225	59,225	38,324	42,039	46,041
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		46,368	56,175	65,510	95,818	101,857	101,857	82,255	89,379	97,927

Table SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

WC013 Bergrivier - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–							
Current year receipts		30,793	27,841	31,810	35,069	35,621	35,621	37,767	41,481	45,525
Conditions met - transferred to revenue		30,793	27,841	31,810	35,069	35,621	35,621	37,767	41,481	45,525
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year		–	113	221						
Current year receipts		4,662	5,129	6,551	5,448	35,027	35,027	6,164	5,859	6,361
Conditions met - transferred to revenue		4,662	5,021	6,797	5,448	35,027	35,027	6,164	5,859	6,361
Conditions still to be met - transferred to liabilities		–	221	(25)						
District Municipality:										
Balance unspent at beginning of the year		–	47	42						
Current year receipts		–	–	–				–	–	–
Conditions met - transferred to revenue		–	5	42	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	42							
Other grant providers:										
Balance unspent at beginning of the year		29	–							
Current year receipts		–	–	–		300	300	–	–	–
Conditions met - transferred to revenue		29	–	–	–	300	300	–	–	–
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		35,483	32,867	38,649	40,517	70,948	70,948	43,931	47,340	51,886
Total operating transfers and grants - CTBM	2	–	263	(25)	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	4,856						
Current year receipts		10,810	21,495	15,074	16,046	19,987	19,987	14,074	14,959	17,821
Conditions met - transferred to revenue		10,810	16,640	18,581	16,046	19,987	19,987	14,074	14,959	17,821
Conditions still to be met - transferred to liabilities		–	4,856	1,348						
Provincial Government:										
Balance unspent at beginning of the year		–	(125)	1,948						
Current year receipts		–	8,742	6,331	39,155	10,838	10,838	24,050	26,880	28,020
Conditions met - transferred to revenue		–	6,669	8,279	39,155	10,838	10,838	24,050	26,880	28,020
Conditions still to be met - transferred to liabilities		–	1,948							
District Municipality:										
Balance unspent at beginning of the year		–	–							
Current year receipts		–	–	–				–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		–	(493)			83	83			
Current year receipts		75	493	83	100			200	200	200
Conditions met - transferred to revenue		75	–	–	100	83	83	200	200	200
Conditions still to be met - transferred to liabilities				83						
Total capital transfers and grants revenue		10,885	23,308	26,861	55,301	30,909	30,909	38,324	42,039	46,041
Total capital transfers and grants - CTBM	2	–	6,804	1,431	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		46,368	56,175	65,510	95,818	101,857	101,857	82,255	89,379	97,927
TOTAL TRANSFERS AND GRANTS - CTBM		–	7,067	1,406	–	–	–	–	–	–

2.8 Councillor and employee benefits

Table SA22 - Summary of councillor and staff benefits

WC013 Bergrivier - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		2,684	3,277	3,417	3,648	3,427	3,427	3,649	3,868	4,100
Pension and UIF Contributions		292	317	336	338	—	—	—	—	—
Medical Aid Contributions		35	35	35	32	—	—	35	37	39
Motor Vehicle Allowance		1,041	730	871	922	871	871	928	984	1,043
Cellphone Allowance		206	171	190	334	276	276	271	287	304
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	205	—	—	—	—	—	—	—
Sub Total - Councillors		4,257	4,735	4,849	5,274	4,573	4,573	4,883	5,176	5,486
% increase	4		11.2%	2.4%	8.8%	(13.3%)	—	6.8%	6.0%	6.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2,329	2,615	2,827	2,969	2,969	2,969	2,716	2,878	3,051
Pension and UIF Contributions		493	564	565	542	542	542	496	525	557
Medical Aid Contributions		147	125	127	133	133	133	141	149	158
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance	3	341	434	377	399	399	399	303	322	341
Cellphone Allowance	3	—	—	—	—	—	—	—	—	—
Housing Allowances	3	281	255	253	268	268	268	263	279	296
Other benefits and allowances	3	641	257	239	303	303	303	284	301	319
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality		4,233	4,248	4,388	4,613	4,613	4,613	4,202	4,455	4,722
% increase	4		0.4%	3.3%	5.1%	—	—	(8.9%)	6.0%	6.0%
Other Municipal Staff										
Basic Salaries and Wages		45,546	49,822	51,061	57,566	55,015	55,015	62,942	66,719	71,490
Pension and UIF Contributions		8,140	8,689	8,759	10,566	9,651	9,651	11,665	12,365	13,108
Medical Aid Contributions		3,168	3,434	3,840	5,300	5,371	5,371	6,017	6,380	6,763
Overtime		2,699	2,935	3,354	3,287	4,765	4,765	3,502	3,712	3,936
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance	3	2,958	2,952	3,132	3,353	3,586	3,586	3,532	3,743	3,968
Cellphone Allowance	3	—	—	—	—	—	—	—	—	—
Housing Allowances	3	206	217	241	229	1,095	1,095	875	924	967
Other benefits and allowances	3	2,872	3,575	8,743	9,706	9,768	9,768	11,470	12,155	12,882
Payments in lieu of leave		889	751	880	529	265	265	493	522	553
Long service awards		386	516	378	781	1,155	1,155	853	910	969
Post-retirement benefit obligations	6	1,063	1,224	1,754	1,915	1,927	1,927	2,101	2,244	2,397
Sub Total - Other Municipal Staff		67,928	74,114	82,143	93,233	92,599	92,599	103,450	109,673	117,032
% increase	4		9.1%	10.8%	13.5%	(0.7%)	—	11.7%	6.0%	6.7%
Total Parent Municipality		76,417	83,098	91,380	103,120	101,785	101,785	112,536	119,304	127,240
			8.7%	10.0%	12.8%	(1.3%)	—	10.6%	6.0%	6.7%
TOTAL SALARY, ALLOWANCES & BENEFITS		76,417	83,098	91,380	103,120	101,785	101,785	112,536	119,304	127,240
% increase	4		8.7%	10.0%	12.8%	(1.3%)	—	10.6%	6.0%	6.7%
TOTAL MANAGERS AND STAFF	5,7	72,161	78,363	86,531	97,846	97,212	97,212	107,653	114,128	121,754

Table SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

WC013 Bergvrierv - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)								
Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		383,231	–	173,907			557,138
Chief Whip			–	–	–			–
Executive Mayor			483,039	17,280	212,167			712,486
Deputy Executive Mayor			399,233	–	173,907			573,141
Executive Committee			948,180	–	185,211			1,133,391
Total for all other councillors			1,435,714	17,280	453,892			1,906,886
Total Councillors	8	–	3,649,396	34,560	1,199,085			4,883,042
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1,155,813	226,296	218,311	–		1,600,420
Chief Finance Officer			696,563	163,628	310,213	–		1,170,404
Director Corporate Services			687,513	163,358	340,604	–		1,191,475
Director Technical Services			703,083	164,802	310,294	–		1,178,179
			–	–	–	–		–
			–	–	–	–		–
Total Senior Managers of the Municipality	8,10	–	3,242,971	718,084	1,179,423	–		5,140,478
A Heading for Each Entity	6,7							
List each member of board by designation								
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	6,892,367	752,644	2,378,508	–		10,023,519

Table 49 SA24 – Summary of personnel numbers

WC013 Bergrivier - Supporting Table SA24 Summary of personnel numbers										
Summary of Personnel Numbers	Ref	2014/15			Current Year 2015/16			Budget Year 2016/17		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		13	13	–	13	13	–	13	13	–
Board Members of municipal entities	4	–	–	–	–	–	–	–	–	–
Municipal employees	5	–	–	–	–	–	–	–	–	–
Municipal Manager and Senior Managers	3	4	3	1	4	3	1	4	3	1
Other Managers	7	11	11	–	11	10	–	11	10	–
Professionals		32	30	–	32	30	–	32	30	–
Finance		5	5	–	5	5	–	5	5	–
Spatial/town planning		2	2	–	2	2	–	2	2	–
Information Technology		2	2	–	2	2	–	2	2	–
Roads		3	3	–	3	3	–	3	3	–
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Refuse		–	–	–	–	–	–	–	–	–
Other		20	18	–	20	18	–	20	18	–
Technicians		28	26	–	28	26	–	31	26	–
Finance		2	1	–	2	1	–	3	1	–
Spatial/town planning		–	–	–	–	–	–	–	–	–
Information Technology		–	–	–	–	–	–	–	–	–
Roads		1	1	–	1	1	–	1	1	–
Electricity		3	3	–	3	3	–	3	3	–
Water		5	5	–	5	5	–	5	5	–
Sanitation		7	7	–	7	7	–	7	7	–
Refuse		–	–	–	–	–	–	–	–	–
Other		10	9	–	10	9	–	12	9	–
Clerks (Clerical and administrative)		63	55	–	64	55	–	64	55	–
Service and sales workers		36	35	–	36	35	–	36	35	–
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		–	–	–	–	–	–	–	–	–
Plant and Machine Operators		36	30	–	36	30	–	36	30	–
Elementary Occupations		217	190	–	228	191	–	228	191	–
TOTAL PERSONNEL NUMBERS	9	440	393	1	452	393	1	455	393	1
% increase					2.7%	–	–	0.7%	–	–
Total municipal employees headcount	6, 10	–	–	–	–	–	–	–	–	–
Finance personnel headcount	8, 10	–	–	–	52	46	–	52	46	–
Human Resources personnel headcount	8, 10	–	–	–	6	5	–	6	5	–

Monthly targets for revenue, expenditure and cash flow

Table SA25 - Budgeted monthly revenue and expenditure

WC013 Bergrivier - Supporting Table SA25 Budgeted monthly revenue and expenditure																
Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source																
Property rates		13,919	3,786	3,786	3,786	3,786	3,786	3,786	3,786	3,786	3,786	3,786	3,897	55,677	59,018	62,560
Property rates - penalties & collection charges		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - electricity revenue		8,179	9,178	8,179	7,680	7,680	8,179	9,178	9,178	8,179	8,179	9,178	9,178	102,146	108,481	115,221
Service charges - water revenue		1,479	1,479	1,479	2,481	1,479	1,980	3,985	1,479	2,481	2,481	2,481	2,481	24,765	26,508	28,634
Service charges - sanitation revenue		857	857	857	857	857	857	857	857	857	857	857	857	10,278	10,579	10,846
Service charges - refuse revenue		1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	17,111	17,660	18,162
Service charges - other		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rental of facilities and equipment		354	354	354	354	354	354	354	354	354	354	354	354	4,242	4,498	4,444
Interest earned - external investments		267	267	267	267	267	267	267	267	267	267	267	267	3,200	4,000	4,500
Interest earned - outstanding debtors		353	353	353	353	353	353	353	353	353	353	353	353	4,240	2,200	2,200
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines		359	359	359	359	359	359	359	359	359	359	359	359	4,307	4,565	4,839
Licences and permits		130	130	130	130	130	130	130	130	130	130	130	130	1,560	1,654	1,753
Agency services		170	170	170	170	170	170	170	170	170	170	170	170	2,041	2,164	2,294
Transfers recognised - operational		3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	43,931	47,340	51,886
Other revenue		300	300	300	300	300	300	300	300	300	300	300	300	3,594	3,809	4,035
Gains on disposal of PPE		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		31,453	22,318	21,320	21,823	20,821	21,821	24,824	22,318	22,322	22,322	23,320	22,429	277,092	292,476	311,373
Expenditure By Type																
Employee related costs		8,971	8,971	8,971	8,971	8,971	8,971	8,971	8,971	8,971	8,971	8,971	8,971	107,653	114,128	121,754
Remuneration of councillors		407	407	407	407	407	407	407	407	407	407	407	407	4,883	5,176	5,486
Debt impairment		738	738	738	738	738	738	738	738	738	738	738	738	8,851	4,524	3,117
Depreciation & asset impairment		1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	18,039	19,122	20,357
Finance charges		526	526	1,411	526	526	2,590	526	526	1,411	526	526	526	2,590	12,214	12,935
Bulk purchases		6,394	6,394	6,394	6,394	6,394	6,394	6,394	6,394	6,394	6,394	6,394	6,394	76,727	81,331	86,210
Other materials		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Contracted services		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and grants		298	298	298	298	298	298	298	298	298	298	298	298	3,578	3,863	4,173
Other expenditure		4,197	5,478	4,197	4,197	4,197	4,197	4,197	4,197	4,197	4,197	4,197	4,197	51,639	55,658	56,384
Loss on disposal of PPE		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure		23,034	24,315	23,918	23,034	23,034	25,098	23,034	23,034	23,918	23,034	23,034	25,098	283,583	296,736	311,180
Surplus/(Deficit)		8,419	(1,997)	(2,598)	(1,211)	(2,213)	(3,277)	1,790	(716)	(1,596)	(712)	287	(2,668)	(6,491)	(4,260)	194
Transfers recognised - capital		3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	38,324	42,039	46,041
Contributions recognised - capital		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Contributed assets		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		11,613	1,197	595	1,983	981	(83)	4,984	2,478	1,598	2,482	3,480	525	31,833	37,779	46,235
Taxation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Attributable to minorities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	1	11,613	1,197	595	1,983	981	(83)	4,984	2,478	1,598	2,482	3,480	525	31,833	37,779	46,235

Table SA26 - Budgeted monthly revenue and expenditure (municipal vote)

WC013 Bergrivier - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote																
Vote 1 - Municipal Manager		1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	23,220	26,364	40,846
Vote 2 - Finance		14,717	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,695	65,248	67,577	71,773
Vote 3 - Corporate Services		1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	19,541	19,846	21,471
Vote 4 - Technical Services		16,367	17,365	16,367	16,870	15,868	16,868	19,870	17,365	17,369	17,369	18,367	17,365	207,407	220,728	223,325
Total Revenue by Vote		34,647	25,512	24,514	25,017	24,015	25,015	28,017	25,512	25,516	25,516	26,514	25,623	315,416	334,515	357,414
Expenditure by Vote to be appropriated																
Vote 1 - Municipal Manager		1,680	2,160	1,680	1,680	1,680	1,680	1,680	1,680	1,680	1,680	1,680	1,680	20,640	21,941	23,277
Vote 2 - Finance		225	330	225	225	225	225	225	225	225	225	225	225	2,800	3,537	3,593
Vote 3 - Corporate Services		3,675	3,769	3,688	3,675	3,675	3,707	3,675	3,675	3,688	3,675	3,675	3,707	44,284	46,617	49,281
Vote 4 - Technical Services		17,454	18,056	18,325	17,454	17,454	19,486	17,454	17,454	18,325	17,454	17,454	19,486	215,859	224,641	235,029
Total Expenditure by Vote		23,034	24,315	23,918	23,034	23,034	25,098	23,034	23,034	23,918	23,034	23,034	25,098	283,583	296,736	311,180
Surplus/(Deficit) before assoc.		11,613	1,197	595	1,983	981	(83)	4,984	2,478	1,598	2,482	3,480	525	31,833	37,779	46,235
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	11,613	1,197	595	1,983	981	(83)	4,984	2,478	1,598	2,482	3,480	525	31,833	37,779	46,235

Table SA27 - Budgeted monthly revenue and expenditure (standard classification)

WC013 Bergrivier - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)																
Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue - Standard																
<i>Governance and administration</i>		16,717	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,695	89,248	94,767	114,253
Executive and council		1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	23,220	26,364	40,846
Budget and treasury office		14,717	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,695	65,248	67,577	71,773
Corporate services		65	65	65	65	65	65	65	65	65	65	65	65	780	826	1,634
<i>Community and public safety</i>		3,287	3,287	3,287	3,287	3,287	3,287	3,287	3,287	3,287	3,287	3,287	3,287	39,441	42,516	44,304
Community and social services		590	590	590	590	590	590	590	590	590	590	590	590	7,076	6,632	7,029
Sport and recreation		392	392	392	392	392	392	392	392	392	392	392	392	4,708	4,995	4,958
Public safety		362	362	362	362	362	362	362	362	362	362	362	362	4,340	4,600	4,876
Housing		1,943	1,943	1,943	1,943	1,943	1,943	1,943	1,943	1,943	1,943	1,943	1,943	23,317	26,289	27,441
<i>Economic and environmental services</i>		491	491	491	491	491	491	491	491	491	491	491	491	5,890	4,920	5,203
Planning and development		66	66	66	66	66	66	66	66	66	66	66	66	787	835	886
Road transport		425	425	425	425	425	425	425	425	425	425	425	425	5,103	4,085	4,317
<i>Trading services</i>		14,152	15,150	14,152	14,656	13,653	14,654	17,656	15,150	15,155	15,155	16,153	15,150	180,837	192,312	193,655
Electricity		8,480	9,478	8,480	7,981	7,981	8,480	9,478	9,478	8,480	8,480	9,478	9,478	105,750	113,182	120,790
Water		2,748	2,748	2,748	3,751	2,748	3,250	5,254	2,748	3,751	3,751	3,751	2,748	39,997	42,728	43,624
Waste water management		1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	13,266	13,746	10,851
Waste management		1,819	1,819	1,819	1,819	1,819	1,819	1,819	1,819	1,819	1,819	1,819	1,819	21,824	22,656	18,390
Total Revenue - Standard		34,647	25,512	24,514	25,017	24,015	25,015	28,017	25,512	25,516	25,516	26,514	25,623	315,416	334,515	357,414
Expenditure - Standard																
<i>Governance and administration</i>		3,575	4,352	3,915	3,575	3,575	4,367	3,575	3,575	3,915	3,575	3,575	4,367	45,944	49,378	52,217
Executive and council		1,680	2,160	1,680	1,680	1,680	1,680	1,680	1,680	1,680	1,680	1,680	1,680	20,640	21,941	23,277
Budget and treasury office		225	330	225	225	225	225	225	225	225	225	225	225	2,800	3,537	3,593
Corporate services		1,671	1,863	2,010	1,671	1,671	2,462	1,671	1,671	2,010	1,671	1,671	2,462	22,503	23,900	25,348
<i>Community and public safety</i>		3,087	3,228	3,100	3,087	3,087	3,118	3,087	3,087	3,100	3,087	3,087	3,118	37,272	39,129	41,435
Community and social services		601	663	601	601	601	601	601	601	601	601	601	601	7,269	7,697	8,146
Sport and recreation		1,258	1,273	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	15,115	16,009	16,944
Public safety		1,114	1,145	1,127	1,114	1,114	1,145	1,114	1,114	1,127	1,114	1,114	1,145	13,485	13,940	14,776
Housing		114	148	114	114	114	114	114	114	114	114	114	114	1,403	1,483	1,569
<i>Economic and environmental services</i>		2,838	2,919	2,985	2,838	2,838	3,181	2,838	2,838	2,985	2,838	2,838	3,181	35,122	37,218	38,122
Planning and development		377	378	377	377	377	377	377	377	377	377	377	377	4,522	4,787	4,958
Road transport		2,462	2,541	2,609	2,462	2,462	2,805	2,462	2,462	2,609	2,462	2,462	2,805	30,600	32,431	33,164
<i>Trading services</i>		13,533	13,815	13,918	13,533	13,533	14,431	13,533	13,533	13,918	13,533	13,533	14,431	165,245	171,011	179,406
Electricity		8,662	8,751	8,729	8,662	8,662	8,819	8,662	8,662	8,729	8,662	8,662	8,819	104,481	108,129	114,307
Water		1,691	1,801	1,892	1,691	1,691	2,160	1,691	1,691	1,892	1,691	1,691	2,160	21,739	22,305	24,074
Waste water management		1,059	1,090	1,175	1,059	1,059	1,330	1,059	1,059	1,175	1,059	1,059	1,330	13,513	14,062	13,613
Waste management		2,122	2,173	2,122	2,122	2,122	2,122	2,122	2,122	2,122	2,122	2,122	2,122	25,512	26,515	27,412
Total Expenditure - Standard		23,034	24,315	23,918	23,034	23,034	25,098	23,034	23,034	23,918	23,034	23,034	25,098	283,583	296,736	311,180
Surplus/(Deficit)	1	11,613	1,197	595	1,983	981	(83)	4,984	2,478	1,598	2,482	3,480	525	31,833	37,779	46,235

Table SA28 - Budgeted monthly capital expenditure (municipal vote)

WC013 Bergrivier - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)																										
Description	Ref	Budget Year 2016/17												Medium Term	Revenue and Expenditure Framework											
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19										
Multi-year expenditure to be appropriated	1																									
Vote 1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–										
Vote 2 - Finance		–	–	–	–	–	–	–	–	–	–	–	850	850	–	–										
Vote 3 - Corporate Services		–	–	–	30	250	100	–	–	–	–	–	–	380	560	1,190										
Vote 4 - Technical Services		500	1,000	2,700	3,700	4,350	4,000	2,000	2,300	2,300	1,000	815	–	24,665	28,230	29,665										
Capital multi-year expenditure sub-total	2	500	1,000	2,700	3,730	4,600	4,100	2,000	2,300	2,300	1,000	815	850	25,895	28,790	30,855										
Single-year expenditure to be appropriated																										
Vote 1 - Municipal Manager		63	20	20	50	–	20	–	–	68	75	101	–	416	235	235										
Vote 2 - Finance		–	–	–	–	–	10	–	–	10	–	10	1,000	1,030	540	40										
Vote 3 - Corporate Services		–	–	160	195	190	230	45	100	–	30	1,609	1,890	4,449	2,814	4,720										
Vote 4 - Technical Services		550	998	1,967	3,251	4,535	1,070	1,029	3,281	2,084	1,820	1,622	1,761	23,968	24,823	26,304										
Capital single-year expenditure sub-total	2	613	1,018	2,147	3,496	4,725	1,330	1,074	3,381	2,162	1,925	3,342	4,651	29,863	28,412	31,299										
Total Capital Expenditure	2	1,113	2,018	4,847	7,226	9,325	5,430	3,074	5,681	4,462	2,925	4,157	5,501	55,758	57,202	62,154										

Table SA29 - Budgeted monthly capital expenditure (standard classification)

WC013 Bergrivier - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)																
Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital Expenditure - Standard	1															
Governance and administration		63	80	152	355	310	120	85	183	78	95	116	2,974	4,610	1,039	1,624
Executive and council		63	20	20	50	–	20	–	–	68	75	101	–	416	235	235
Budget and treasury office		–	–	–	–	–	10	–	–	10	–	10	1,850	1,880	540	40
Corporate services		–	60	132	305	310	90	85	183	–	20	5	1,124	2,314	264	1,349
Community and public safety		500	1,050	2,882	3,978	4,435	4,325	2,045	2,000	2,000	1,080	2,539	833	27,667	30,198	33,184
Community and social services		–	–	222	193	–	5	–	–	–	–	5	824	1,249	1,045	2,095
Sport and recreation		–	50	130	170	355	100	30	–	–	80	754	9	1,678	2,468	1,999
Public safety		–	–	30	115	80	220	15	–	–	–	1,000	–	1,460	435	1,690
Housing		500	1,000	2,500	3,500	4,000	4,000	2,000	2,000	2,000	1,000	780	–	23,280	26,250	27,400
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		50	25	165	650	375	50	100	1,200	160	500	–	40	3,315	5,480	4,945
Planning and development		–	–	–	–	–	5	–	–	–	–	–	5	10	10	10
Road transport		50	25	165	650	375	45	100	1,200	160	500	–	35	3,305	5,470	4,935
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		500	863	1,648	2,243	4,205	935	844	2,298	2,224	1,250	1,502	1,654	20,166	20,485	22,401
Electricity		–	53	323	313	623	300	–	1,080	954	–	–	–	3,646	4,685	5,906
Water		500	785	1,270	1,710	1,532	380	–	50	50	50	–	25	6,352	3,450	1,305
Waste water management		–	25	55	90	75	70	844	1,168	1,220	1,200	1,500	1,623	7,870	10,143	11,528
Waste management		–	–	–	130	1,975	185	–	–	–	–	2	6	2,298	2,207	3,662
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Standard	2	1,113	2,018	4,847	7,226	9,325	5,430	3,074	5,681	4,462	2,925	4,157	5,501	55,758	57,202	62,154
Funded by:																
National Government		–	–	–	–	–	–	–	–	–	–	–	14,274	14,274	15,159	18,021
Provincial Government		–	–	–	–	–	–	–	–	–	–	–	24,050	24,050	26,880	28,020
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		–	–	–	–	–	–	–	–	–	–	–	38,324	38,324	42,039	46,041
Public contributions & donations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing		–	–	–	–	–	–	–	–	–	–	–	6,750	6,750	6,070	5,200
Internally generated funds		–	–	–	60	60	10	–	50	–	–	–	10,504	10,684	9,093	10,913
Total Capital Funding		–	–	–	60	60	10	–	50	–	–	–	55,578	55,758	57,202	62,154

Table SA30 - Budgeted monthly cash flow

WC013 Bergrivier - Supporting Table SA30 Budgeted monthly cash flow																
MONTHLY CASH FLOWS		Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
Cash Receipts By Source													1			
Property rates	4,532	4,532	4,532	4,532	4,532	4,532	4,532	4,532	4,532	4,532	4,532	4,532	54,383	57,739	61,175	
Property rates - penalties & collection charges	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Service charges - electricity revenue	8,219	8,219	8,219	8,219	8,219	8,219	8,219	8,219	8,219	8,219	8,219	8,219	98,633	105,325	111,957	
Service charges - water revenue	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	24,137	25,707	25,369	
Service charges - sanitation revenue	838	838	838	838	838	838	838	838	838	838	838	838	10,062	10,369	10,636	
Service charges - refuse revenue	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	16,758	17,295	17,795	
Rental of facilities and equipment	354	354	354	354	354	354	354	354	354	354	354	354	4,242	4,498	4,444	
Interest earned - external investments	267	267	267	267	267	267	267	267	267	267	267	267	3,200	4,000	4,500	
Interest earned - outstanding debtors	353	353	353	353	353	353	353	353	353	353	353	353	4,240	2,200	2,200	
Fines	359	359	359	359	359	359	359	359	359	359	359	359	4,307	4,565	4,839	
Licences and permits	130	130	130	130	130	130	130	130	130	130	130	130	1,560	1,654	1,753	
Agency services	170	170	170	170	170	170	170	170	170	170	170	170	2,041	2,164	2,294	
Transfer receipts - operational	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	3,661	43,931	47,340	51,886	
Other revenue	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(682)	1,882	4,506	
Cash Receipts by Source	22,234	22,234	22,234	22,234	22,234	22,234	22,234	22,234	22,234	22,234	22,234	22,234	266,811	284,739	303,353	
Other Cash Flows by Source																
Transfer receipts - capital	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	3,194	38,324	42,039	46,041	
Borrowing long term/refinancing	563	563	563	563	563	563	563	563	563	563	563	563	6,750	6,070	5,200	
Increase (decrease) in consumer deposits	10	10	10	10	10	10	10	10	10	10	10	10	123	198	200	
Decrease (increase) other non-current receivable	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(367)	40	27	
Total Cash Receipts by Source	25,970	25,970	25,970	25,970	25,970	25,970	25,970	25,970	25,970	25,970	25,970	25,970	311,641	333,086	354,821	
Cash Payments by Type																
Employee related costs	8,587	8,587	8,587	8,587	8,587	8,587	8,587	8,587	8,587	8,587	8,587	8,587	103,047	107,213	117,173	
Remuneration of councillors	407	407	407	407	407	407	407	407	407	407	407	407	4,883	5,176	5,486	
Finance charges	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	12,214	12,935	13,699	
Bulk purchases - Electricity	5,977	5,977	5,977	5,977	5,977	5,977	5,977	5,977	5,977	5,977	5,977	5,977	71,727	76,031	80,592	
Bulk purchases - Water & Sewer	417	417	417	417	417	417	417	417	417	417	417	417	5,000	5,300	5,618	
Transfers and grants - other	298	298	298	298	298	298	298	298	298	298	298	298	3,578	3,863	4,173	
Other expenditure	4,846	4,846	4,846	4,846	4,846	4,846	4,846	4,846	4,846	4,846	4,846	4,846	58,151	50,258	51,424	
Cash Payments by Type	21,550	21,550	21,550	21,550	21,550	21,550	21,550	21,550	21,550	21,550	21,550	21,550	258,600	260,776	278,164	
Other Cash Flows/Payments by Type																
Capital assets	4,647	4,647	4,647	4,647	4,647	4,647	4,647	4,647	4,647	4,647	4,647	4,647	55,758	57,202	62,154	
Repayment of borrowing	319	319	319	319	319	319	319	319	319	319	319	319	3,823	(2,786)	6,994	
Total Cash Payments by Type	26,515	26,515	26,515	26,515	26,515	26,515	26,515	26,515	26,515	26,515	26,515	26,515	318,180	315,192	347,312	
NET INCREASE/(DECREASE) IN CASH HELD	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(6,539)	17,894	7,509	
Cash/cash equivalents at the month/year begin:	70,110	69,565	69,020	68,475	67,931	67,386	66,841	66,296	65,751	65,206	64,661	64,116	70,110	63,571	81,465	
Cash/cash equivalents at the month/year end:	69,565	69,020	68,475	67,931	67,386	66,841	66,296	65,751	65,206	64,661	64,116	63,571	63,571	81,465	88,974	

2.10 Contracts having future budgetary implications

In terms of the Council's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

WC013 Bergvriër - Supporting Table SA33 Contracts having future budgetary implications														
Description	Ref	Preceding Years	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework			Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
Contract 1		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
Contract 1		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Entities:														
Revenue Obligation By Contract	2													
Contract 1		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
Contract 1		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
Contract 1		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2		-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

2.11 Capital expenditure details

The following three tables present details of the Council's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table SA 34a - Capital expenditure on new assets by asset class

WC013 Bergrivier - Supporting Table SA34a Capital expenditure on new assets by asset class										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		12,886	17,646	6,908	12,616	16,544	16,544	17,105	20,140	22,476
Infrastructure - Road transport		566	105	914	1,290	1,230	1,230	1,035	2,355	3,690
Roads, Pavements & Bridges		59	67	779	940	897	897	885	2,105	2,410
Storm water		506	39	134	350	333	333	150	250	1,280
Infrastructure - Electricity		250	435	2,292	2,290	2,290	2,290	2,074	2,970	4,436
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		250	435	2,292	2,290	2,290	2,290	2,074	2,970	4,436
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		1,416	339	1,424	7,561	9,059	9,059	6,167	3,045	770
Dams & Reservoirs		-	-	1,006	7,096	7,096	7,096	5,562	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		1,416	339	418	465	1,962	1,962	605	3,045	770
Infrastructure - Sanitation		10,654	16,766	1,723	875	3,365	3,365	7,379	9,620	9,975
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		10,654	16,766	1,723	875	3,365	3,365	7,379	9,620	9,975
Infrastructure - Other		-	-	556	600	600	600	450	2,150	3,605
Waste Management		-	-	556	600	600	600	450	2,150	3,605
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-
Community		217	523	6,657	38,890	10,552	10,552	24,515	27,725	27,875
Parks & gardens		47	78	48	50	32	32	155	165	165
Sportsfields & stadia		70	405	49	50	50	50	50	-	50
Swimming pools		-	-	-	40	37	37	-	30	30
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	350	-	-	-	500	-	-
Recreational facilities		-	-	451	-	-	-	80	930	230
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	40	-	-	-	-	100	-	-
Cemeteries		100	-	80	200	200	200	350	350	-
Social rental housing	8	-	(0)	5,677	38,550	10,233	10,233	23,280	26,250	27,400
Other		-	-	2	-	-	-	-	-	-
Other assets		4,180	7,703	4,140	4,612	3,540	3,540	7,250	3,318	4,348
General vehicles		1,702	132	2,062	570	566	566	2,700	1,630	2,080
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		184	355	718	1,459	1,517	1,517	1,329	930	895
Computers - hardware/equipment		37	239	44	-	-	-	-	16	16
Furniture and other office equipment		1,424	593	828	803	875	875	1,096	592	622
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	6,250	-	-	-	-	-	-	-
Other Buildings		684	135	488	1,780	582	582	2,125	150	735
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		149	-	-	-	-	-	-	-	-
Intangibles		21	258	687	990	971	971	1,200	600	1,600
Computers - software & programming		21	258	687	990	971	971	1,200	600	600
Other (list sub-class)		-	-	-	-	-	-	-	-	1,000
Total Capital Expenditure on new assets	1	17,304	26,130	18,391	57,108	31,607	31,607	50,070	51,783	56,299

Table SA34b - Capital expenditure on the renewal of existing assets by asset class

WC013 Berggrivier - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		1,682	1,763	15,021	8,821	9,297	9,297	2,850	3,660	3,840
Infrastructure - Road transport		1,682	1,763	1,843	2,490	2,490	2,490	1,560	1,660	1,910
Roads, Pavements & Bridges		1,603	1,740	1,795	2,480	2,480	2,480	1,550	1,650	1,900
Storm water		79	22	48	10	10	10	10	10	10
Infrastructure - Electricity		-	-	1,092	3,150	3,150	3,150	1,180	1,670	1,470
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	1,092	3,150	3,150	3,150	1,180	1,670	1,470
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	12,087	3,181	3,657	3,657	100	320	450
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	12,087	3,181	3,657	3,657	100	320	450
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	10	10	10
Waste Management		-	-	-	-	-	-	10	10	10
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-
Community		-	-	1,035	2,008	2,720	2,720	809	999	1,125
Parks & gardens		-	-	65	100	100	100	100	100	100
Sportsfields & stadia		-	-	970	1,758	2,473	2,473	609	649	675
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	150	147	147	-	150	350
Recreational facilities		-	-	-	-	-	-	100	100	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		106	302	436	512	573	573	980	760	790
General vehicles		-	-	120	-	-	-	-	100	100
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		21	-	12	25	25	25	25	25	25
Computers - hardware/equipment		35	-	-	-	-	-	-	-	-
Furniture and other office equipment		50	119	284	487	548	548	265	225	195
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	183	20	-	-	-	690	410	470
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Intangibles		-	242	305	750	726	726	1,050	-	100
Computers - software & programming		-	242	305	750	726	726	1,050	-	100
Other (list sub-class)		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing	1	1,788	2,306	16,798	12,092	13,316	13,316	5,689	5,419	5,855
Renewal of Existing Assets as % of total capex		9.4%	8.1%	47.7%	17.5%	29.6%	29.6%	10.2%	9.5%	9.4%
Renewal of Existing Assets as % of deprecn"		12.3%	15.4%	106.1%	67.4%	73.8%	73.8%	31.5%	28.3%	28.8%

Table SA34c - Repairs and maintenance expenditure by asset class

WC013 Bergrivier - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		2,031	779	1,709	1,482	1,530	1,530	2,033	2,154	2,254
Infrastructure - Road transport		618	56	61	93	93	93	103	109	115
Roads, Pavements & Bridges		618	56	48	87	87	87	97	103	109
Storm water		–	–	13	6	6	6	6	6	6
Infrastructure - Electricity		447	305	692	835	835	835	881	934	990
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		415	217	647	760	760	760	806	854	905
Street Lighting		32	88	46	75	75	75	75	80	85
Infrastructure - Water		830	285	692	350	400	400	400	424	449
Dams & Reservoirs		–	–	–	–	–	–	–	–	–
Water purification		–	–	–	–	–	–	–	–	–
Reticulation		830	285	692	350	400	400	400	424	449
Infrastructure - Sanitation		136	133	263	200	200	200	220	233	247
Reticulation		–	–	–	–	–	–	–	–	–
Sewerage purification		136	133	263	200	200	200	220	233	247
Infrastructure - Other		–	–	0	4	2	2	429	454	453
Waste Management		–	–	–	–	–	–	420	445	449
Transportation	2	–	–	–	–	–	–	–	–	–
Gas		–	–	–	–	–	–	–	–	–
Other	3	–	–	0	4	2	2	9	9	4
Other assets		2,807	3,460	3,350	4,567	4,725	4,725	4,910	5,191	5,480
General vehicles		1,534	2,031	1,945	2,252	2,340	2,340	2,480	2,628	2,786
Specialised vehicles	10	–	–	–	–	–	–	–	–	–
Plant & equipment		241	319	498	705	784	784	783	827	873
Computers - hardware/equipment		506	592	72	686	674	674	723	762	792
Furniture and other office equipment		40	37	90	70	94	94	76	76	78
Abattoirs		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Civic Land and Buildings		–	–	–	–	–	–	–	–	–
Other Buildings		486	481	744	854	834	834	848	898	951
Other Land		–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming		–	–	–	–	–	–	–	–	–
Other (list sub-class)		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	4,838	4,239	5,059	6,049	6,255	6,255	6,943	7,345	7,734
R&M as a % of PPE		1.9%	1.5%	1.6%	1.8%	1.8%	1.8%	1.8%	1.8%	1.7%
R&M as % Operating Expenditure		2.6%	2.0%	2.2%	2.3%	2.2%	2.2%	2.4%	2.5%	2.5%

Table SA34d Depreciation by asset class

WC013 Bergrivier - Supporting Table SA34d Depreciation by asset class										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Depreciation by Asset Class/Sub-class										
Infrastructure		8,075	9,212	10,407	12,297	13,594	13,594	13,594	14,410	15,360
Infrastructure - Road transport		2,273	2,865	4,716	3,879	3,573	3,573	3,573	3,787	4,100
Roads, Pavements & Bridges		2,273	2,865	2,954	3,869	3,573	3,573	3,573	3,787	4,100
Storm water		-	-	1,762	10	-	-	-	-	-
Infrastructure - Electricity		1,280	1,247	1,220	1,431	1,643	1,643	1,643	1,742	1,847
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		1,280	1,247	1,220	1,431	1,643	1,643	1,643	1,742	1,847
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		1,386	1,439	1,467	2,517	1,826	1,826	1,826	1,936	2,052
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		1,386	1,439	1,467	2,517	1,826	1,826	1,826	1,936	2,052
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		1,960	1,746	71	2,500	2,679	2,679	2,679	2,840	3,010
Reticulation		1,960	1,746	71	2,500	2,679	2,679	2,679	2,840	3,010
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		1,176	1,916	2,933	1,970	3,873	3,873	3,873	4,105	4,351
Waste Management		1,092	1,916	2,933	1,970	3,873	3,873	3,873	4,105	4,351
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	84	-	-	-	-	-	-	-	-
Community		1,199	1,230	2,239	1,708	1,953	1,953	1,953	2,070	2,195
Parks & gardens		39	201	167	241	267	267	267	283	300
Sportsfields & stadia		423	468	473	552	547	547	547	580	615
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		41	-	-	-	-	-	-	-	-
Libraries		104	134	1,014	306	406	406	406	430	456
Recreational facilities		387	95	114	144	272	272	272	288	305
Fire, safety & emergency		-	154	144	176	175	175	175	186	197
Security and policing		121	132	153	235	245	245	245	260	276
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		29	-	-	-	-	-	-	-	-
Museums & Art Galleries		36	-	-	-	-	-	-	-	-
Cemeteries		-	46	173	54	41	41	41	43	46
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		19	-	-	-	-	-	-	-	-
Other assets		4,993	4,494	3,180	3,939	2,492	2,492	2,492	2,642	2,802
General vehicles		1,158	-	-	-	-	-	-	-	-
Specialised vehicles	10	480	-	-	-	-	-	-	-	-
Plant & equipment		993	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	392	195	395	233	233	233	247	262
Furniture and other office equipment		1,202	2,477	1,398	1,866	752	752	752	798	847
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		627	-	-	-	-	-	-	-	-
Other Buildings		406	1,624	1,586	1,678	1,507	1,507	1,507	1,597	1,693
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		127	-	-	-	-	-	-	-	-
Intangibles		214	-	-	-	-	-	-	-	-
Computers - software & programming		214	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
Total Depreciation	1	14,481	14,935	15,825	17,944	18,039	18,039	18,039	19,122	20,357
Specialised vehicles		480	-	-	-	-	-	-	-	-
Refuse		350	-	-	-	-	-	-	-	-
Fire		130	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

Table SA35 - Future financial implications of the capital budget

WC013 Bergrivier - Supporting Table SA35 Future financial implications of the capital budget								
Vote Description	Ref	2016/17 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Present value
Capital expenditure	1							
Vote 1 - Municipal Manager		416	235	235	-	-	-	-
Vote 2 - Finance		1,880	540	40	-	-	-	-
Vote 3 - Corporate Services		4,829	3,374	5,910	-	-	-	-
Vote 4 - Technical Services		48,633	53,053	55,969	-	-	-	-
Total Capital Expenditure		55,758	57,202	62,154	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Municipal Manager		-	-	-	-	-	-	-
Vote 2 - Finance		-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-
Vote 4 - Technical Services		-	-	-	-	-	-	-
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates		-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-
List other revenues sources if applicable		-	-	-	-	-	-	-
List entity summary if applicable		-	-	-	-	-	-	-
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		55,758	57,202	62,154	-	-	-	-

WC013 Bergrivier - Supporting Table SA36 Detailed capital budget																
Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4				6	3	3	5		Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Parent municipality:																
List all capital projects grouped by Municipal Vote																
Vote 3 - Corporate Services		3 Vehicles: New Traffic Officers	AVRT0073			General vehicles	General vehicles			-	-	210	300			New
Vote 4 - Technical Services		Diverse equipment	KATR0203			Furniture and other office equipment	Furniture and other office equipment			10	10	10	10			New
Vote 4 - Technical Services		Tools	MATR0163			Plant & equipment	Plant & equipment			25	25	25	25			Renewal
Vote 4 - Technical Services		Replace water meters	WATR0073			Infrastructure - Water	Reticulation			100	120	120	120			New
Vote 4 - Technical Services		Purchase new borehole pumps	MATR0171			Plant & equipment	Plant & equipment			55	50	50	50			New
Vote 4 - Technical Services		Build lime store at water treatment works	GEBO0079			Other Buildings	Other Buildings			62	-	-	-			New
Vote 4 - Technical Services		Dam Safety report (Waboomspruit)	WATR0093			Infrastructure - Water	Reticulation			-	35	-	35			New
Vote 4 - Technical Services		Dam safety report (Porterville Dam)	WATR0097			Infrastructure - Water	Reticulation			-	35	-	35			New
Vote 4 - Technical Services		Replace redundant meters	WATR0095			Infrastructure - Water	Reticulation			100	100	120	150			Renewal
Vote 4 - Technical Services		Build new reservoir (Veddrif)	WATR0098			Infrastructure - Water	Dams & Reservoirs			7,096	3,942	-	-			New
Vote 4 - Technical Services		Build new reservoir (Veddrif)	-			Infrastructure - Water	Dams & Reservoirs			-	1,620	-	-			New
Vote 4 - Technical Services		Upgrade water infrastructure	WATR0099			Infrastructure - Water	Reticulation			2,961	-	-	-			Renewal
Vote 4 - Technical Services		Upgrade water infrastructure	-			Infrastructure - Water	Reticulation			500	-	-	-			Renewal
Vote 4 - Technical Services		Pressure valve (Renew)	WATR0101			Infrastructure - Water	Reticulation			96	-	-	100			Renewal
Vote 4 - Technical Services		Water meter at source	WATR0102			Infrastructure - Water	Reticulation			19	-	75	200			New
Vote 4 - Technical Services		Pumps (standby)	WATR0103			Infrastructure - Water	Reticulation			396	230	200	220			New
Vote 4 - Technical Services		Diverse equipment	KATR0202			Furniture and other office equipment	Furniture and other office equipment			5	6	6	6			New
Vote 4 - Technical Services		Tools	KATR0238			Furniture and other office equipment	Furniture and other office equipment			2	2	6	6			Renewal
Vote 4 - Technical Services		Refuse carts	MATR0159			Infrastructure - Other	Waste Management			-	10	10	10			Renewal
Vote 4 - Technical Services		Drums and stands	KATR0265			Furniture and other office equipment	Furniture and other office equipment			30	30	35	35			New
Vote 4 - Technical Services		Refuse compactor	-			General vehicles	General vehicles			-	1,800	-	-			New
Vote 4 - Technical Services		Weighbridge (VD,PB,PV)	MATR0184			Infrastructure - Other	Waste Management			-	-	-	700			New
Vote 4 - Technical Services		Collection point	-			Infrastructure - Other	Waste Management			-	-	-	2,655			New
Vote 3 - Corporate Services		Equipment for Learner's Classes for PV	-			Furniture and other office equipment	Furniture and other office equipment			-	-	-	20			New
Vote 3 - Corporate Services		Driver's Licence Test Yard for Piketberg	GEBO0080			Other Buildings	Other Buildings			35	1,000	-	-			New
Vote 1 - Municipal Manager		Diverse office furniture and equipment	KATR0261			Furniture and other office equipment	Furniture and other office equipment			67	19	-	-			New
Vote 3 - Corporate Services		Furniture and equipment	KATR0201			Furniture and other office equipment	Furniture and other office equipment			241	120	100	170			Renewal
Vote 3 - Corporate Services		Upgrading of ablution blocks at resorts	-			Other Buildings	Other Buildings			-	250	210	270			Renewal
Vote 3 - Corporate Services		Tools and Equipment	MATR0182			Plant & equipment	Plant & equipment			-	20	10	30			New
Vote 3 - Corporate Services		Installation of DSTV at Dwarskroonbos	-			Furniture and other office equipment	Furniture and other office equipment			-	40	-	-			New
Vote 3 - Corporate Services		Paving of Streets: Stywelyne & Dwarskroon	-			Infrastructure - Road transport	Roads, Pavements & Bridges			-	-	-	100			Renewal
Vote 3 - Corporate Services		Sound System for Beach Resorts	-			Furniture and other office equipment	Furniture and other office equipment			-	-	10	15			New
Vote 4 - Technical Services		Diverse equipment	KATR0200			Furniture and other office equipment	Furniture and other office equipment			5	5	5	5			New
Vote 4 - Technical Services		Upgrade storm water in accordance with SANS 10400-2	PAIE0115			Infrastructure - Road transport	Storm water			200	-	-	1,000			New
Vote 4 - Technical Services		Office Building	GEBO0081			Other Buildings	Other Buildings			150	750	-	-			New
Vote 4 - Technical Services		Storm water Voortrekker Street (Phase 1)	PAIE0130			Infrastructure - Road transport	Storm water			-	-	100	120			New
Vote 4 - Technical Services		Low water bridge: Park Street	PAIE0131			Infrastructure - Road transport	Storm water			10	10	10	10			Renewal
Vote 4 - Technical Services		Stabilise "Wintervoor" (Flood prevention)	PAIE0133			Infrastructure - Road transport	Storm water			26	35	35	35			New
Vote 4 - Technical Services		Museum	-			Museum & Art Galleries	Museums & Art Galleries			-	100	-	-			New
Vote 4 - Technical Services		Construction of storm water channels at Dwaarskroon	PAIE0135			Infrastructure - Road transport	Storm water			75	75	75	85			New
Vote 4 - Technical Services		Diverse equipment	KATR0199			Furniture and other office equipment	Furniture and other office equipment			8	8	8	8			New
Vote 4 - Technical Services		Tools	KATR0235			Furniture and other office equipment	Furniture and other office equipment			18	18	20	20			New
Vote 4 - Technical Services		Telemetry at pump stations	MATR0141			Plant & equipment	Plant & equipment			98	120	150	150			New
Vote 4 - Technical Services		Sewerage stand by pumps	MATR0157			Infrastructure - Sanitation	Sewerage purification			-	150	180	180			New
Vote 4 - Technical Services		Switchgear and pumps	MATR0158			Plant & equipment	Plant & equipment			120	120	120	120			New
Vote 4 - Technical Services		Fence WWTW	-			Infrastructure - Sanitation	Sewerage purification			-	60	60	-			New
Vote 4 - Technical Services		Telemetry	RIOL0043			Infrastructure - Sanitation	Sewerage purification			22	50	50	80			New
Vote 4 - Technical Services		Sewer line 300mm supply line Disa Street	RIOL0041			Infrastructure - Sanitation	Sewerage purification			400	-	-	-			New
Vote 4 - Technical Services		Sewerage Laaiplek: Oos Street	RIOL0042			Infrastructure - Sanitation	Sewerage purification			450	-	-	-			New
Vote 1 - Municipal Manager		Diverse office furniture and equipment	KATR0262			Furniture and other office equipment	Furniture and other office equipment			17	17	-	-			New
Vote 4 - Technical Services		Cement benches - open spaces	AVRT0057			Parks & gardens	Parks & gardens			7	25	25	25			New

Vote 4 - Technical Services	Diverse equipment	KATR0198	Furniture and other office equipment	Furniture and other office equipment	4	4	4	4	New
Vote 4 - Technical Services	Lawn mowers	MATR0133	Plant & equipment	Plant & equipment	450	90	100	100	New
Vote 4 - Technical Services	Recreation areas	-	Parks & gardens	Parks & gardens	-	100	100	100	New
Vote 4 - Technical Services	Irrigation - parks	MATR0181	Parks & gardens	Parks & gardens	25	30	40	40	New
Vote 4 - Technical Services	Recreation areas (Garden)	OFAS0032	Parks & gardens	Parks & gardens	100	100	100	100	Renewal
Vote 4 - Technical Services	Diverse equipment	KATR0196	Furniture and other office equipment	Furniture and other office equipment	110	10	10	10	New
Vote 4 - Technical Services	Radios	KATR0197	Furniture and other office equipment	Furniture and other office equipment	20	25	25	25	New
Vote 4 - Technical Services	Reseal/Construction of streets	PAIE0101	Infrastructure - Road transport	Roads, pavements & bridges	2,000	1,500	1,650	1,800	Renewal
Vote 4 - Technical Services	Cement ditches in Aurora	PAIE0105	Infrastructure - Road transport	Storm water	32	40	40	40	New
Vote 4 - Technical Services	Street name curb stones	PAIE0107	Infrastructure - Road transport	Roads, pavements & bridges	24	50	50	50	New
Vote 4 - Technical Services	Traffic calming measures (Speed bump)	PAIE0126	Infrastructure - Road transport	Roads, pavements & bridges	40	60	60	60	New
Vote 4 - Technical Services	Harden pavements	PAIE0127	Infrastructure - Road transport	Roads, pavements & bridges	80	-	200	200	New
Vote 4 - Technical Services	Pave sidewalks	PAIE0129	Infrastructure - Road transport	Roads, pavements & bridges	300	200	350	350	New
Vote 4 - Technical Services	Tools	MATR0175	Plant & equipment	Plant & equipment	80	50	100	100	New
Vote 4 - Technical Services	Build Park Street between Wes and Por	-	Infrastructure - Road transport	Roads, pavements & bridges	-	-	300	-	New
Vote 4 - Technical Services	Survey and design road network: Een	-	Infrastructure - Road transport	Roads, pavements & bridges	-	-	75	-	New
Vote 4 - Technical Services	Curb stones: Sarel Cilliers	PAIE0136	Infrastructure - Road transport	Roads, pavements & bridges	40	40	40	-	New
Vote 4 - Technical Services	Gravel storage area (stores)	PAIE0137	Infrastructure - Road transport	Roads, pavements & bridges	30	-	30	-	New
Vote 4 - Technical Services	Construction of roads: RDP Houses	PAIE0134	Infrastructure - Road transport	Roads, pavements & bridges	300	300	300	300	New
Vote 4 - Technical Services	Construction of roads: Aurora	-	Infrastructure - Road transport	Roads, pavements & bridges	-	-	500	500	New
Vote 4 - Technical Services	Tracking Devices	MATR0185	General vehicles	General vehicles	136	-	-	100	New
Vote 4 - Technical Services	Main road 529 intersection	PAIE0138	Infrastructure - Road transport	Roads, Pavements & Bridges	480	50	-	-	Renewal
Vote 4 - Technical Services	Diverse equipment	KATR0195	Furniture and other office equipment	Furniture and other office equipment	5	5	5	5	New
Vote 4 - Technical Services	Tools	KATR0234	Furniture and other office equipment	Furniture and other office equipment	50	55	55	55	New
Vote 4 - Technical Services	Portable pavilions	OFAS0030	Sportsfields & stadia	Sportsfields & stadia	50	50	-	50	New
Vote 3 - Corporate Services	Upgrade Cricket Grounds	OFAS0031	Sportsfields & stadia	Sportsfields & stadia	702	-	-	-	Renewal
Vote 3 - Corporate Services	Upgrade Sports Fields	OFAS0034	Sportsfields & stadia	Sportsfields & stadia	1,056	609	649	675	Renewal
Vote 3 - Corporate Services	Upgrade Sports Fields (CR)	-	Sportsfields & stadia	Sportsfields & stadia	715	-	-	-	Renewal
Vote 3 - Corporate Services	Optiplan cabinets	KATR0233	Furniture and other office equipment	Furniture and other office equipment	10	-	-	-	New
Vote 4 - Technical Services	Diverse equipment	KATR0191	Furniture and other office equipment	Furniture and other office equipment	4	4	4	4	New
Vote 4 - Technical Services	Burglar bars at libraries (PB, VD,BJ, LB	-	Other Buildings	Other Buildings	-	50	-	-	New
Vote 4 - Technical Services	Community Hall: curtains	KATR0263	Other Buildings	Other Buildings	100	60	-	-	New
Vote 4 - Technical Services	Tables and chairs (Community Hall)	KATR0264	Furniture and other office equipment	Furniture and other office equipment	26	30	-	80	New
Vote 4 - Technical Services	Replace fence - commonage	GEB00082	Other Buildings	Other Buildings	50	50	-	80	New
Vote 4 - Technical Services	Paving Community Hall	-	Other Buildings	Other Buildings	-	25	-	-	New
Vote 4 - Technical Services	Fence - Municipal Buildings	OMHE0011	Other Buildings	Other Buildings	-	-	-	200	New
Vote 4 - Technical Services	Replace floor tiles (Allan Boesak)	-	Other Buildings	Other Buildings	-	-	-	120	New
Vote 4 - Technical Services	Tools	MATR0172	Plant & equipment	Plant & equipment	10	10	10	10	New
Vote 4 - Technical Services	Cutlery (Community hall)	KATR0266	Furniture and other office equipment	Furniture and other office equipment	-	10	-	20	New
Vote 4 - Technical Services	Air conditioners - offices	KATR0267	Other Buildings	Other Buildings	35	25	-	35	New
Vote 4 - Technical Services	Community Hall: Acoustics	GEB00083	Other Buildings	Other Buildings	150	-	-	-	new
Vote 2 - Finance	Diverse equipment	KATR0185	Furniture and other office equipment	Furniture and other office equipment	30	30	40	40	New
Vote 2 - Finance	Replacing outdated computers and soft	KATR0276	Computers - software & programming	Computers - software & programming	100	100	-	-	Renewal
Vote 2 - Finance	Upgrade of Income System to Promis	KATR0277	Computers - software & programming	Computers - software & programming	450	750	-	-	Renewal
Vote 4 - Technical Services	High tension circuit breakers	ELEK0047	Infrastructure - Electricity	Transmission & Reticulation	30	10	30	-	New
Vote 4 - Technical Services	Bulk meter replacement	ELEK0049	Infrastructure - Electricity	Transmission & Reticulation	60	60	60	-	New
Vote 4 - Technical Services	Network strengthening	ELEK0051	Infrastructure - Electricity	Transmission & Reticulation	100	20	-	-	New
Vote 4 - Technical Services	Strengthen CBD Network	ELEK0053	Infrastructure - Electricity	Transmission & Reticulation	50	60	-	-	New
Vote 4 - Technical Services	Diverse equipment	KATR0183	Furniture and other office equipment	Furniture and other office equipment	10	12	15	-	New
Vote 4 - Technical Services	Generator: Pressure towers (DKB)	MATR0121	Plant & equipment	Plant & equipment	-	350	-	-	New
Vote 4 - Technical Services	Meter streetlights	MATR0122	Plant & equipment	Plant & equipment	30	30	30	-	New
Vote 4 - Technical Services	Replace street lights	STLG0015	Infrastructure - Electricity	Transmission & Reticulation	100	80	120	-	Renewal
Vote 4 - Technical Services	Larger HT Switches - standby battery	ELEK0055	Infrastructure - Electricity	Transmission & Reticulation	50	-	-	-	New
Vote 4 - Technical Services	Install mini - sub for increased demand	ELEK0063	Infrastructure - Electricity	Transmission & Reticulation	320	-	-	-	New
Vote 4 - Technical Services	Mid block lines	ELEK0064	Infrastructure - Electricity	Transmission & Reticulation	180	20	200	-	New
Vote 4 - Technical Services	High tension pole replacements	ELEK0054	Infrastructure - Electricity	Transmission & Reticulation	-	50	50	50	New
Vote 4 - Technical Services	HT supply from main substation to Piet	-	Infrastructure - Electricity	Transmission & Reticulation	-	100	-	-	New
Vote 4 - Technical Services	Network Renewals	ELEK0059	Infrastructure - Electricity	Transmission & Reticulation	800	600	900	850	Renewal
Vote 4 - Technical Services	Replacing conventional electricity meter	ELEK0060	Infrastructure - Electricity	Transmission & Reticulation	750	500	650	620	Renewal
Vote 4 - Technical Services	Bulk Services Upgrade to Monte Bertha	ELEK0065	Infrastructure - Electricity	Transmission & Reticulation	1,500	-	-	-	Renewal
Vote 4 - Technical Services	Albatros Development 100 RDP Houses	ELEK0066	Infrastructure - Electricity	Transmission & Reticulation	1,500	-	-	-	new
Vote 4 - Technical Services	Low Cost Housing	-	Infrastructure - Electricity	Transmission & Reticulation	-	1,754	2,630	4,386	new
Vote 3 - Corporate Services	1x 4X4 LDV Fire Fighting Vehicles	AVRT0067	General vehicles	General vehicles	-	-	-	500	New
Vote 3 - Corporate Services	Fire fighting equipment	MATR0177	Plant & equipment	Plant & equipment	70	65	75	120	New
Vote 4 - Technical Services	Diverse equipment	KATR0278	Furniture and other office equipment	Furniture and other office equipment	10	10	10	10	New
Vote 3 - Corporate Services	Book Detection System	KATR0272	Furniture and other office equipment	Furniture and other office equipment	-	170	220	120	New
Vote 3 - Corporate Services	Replacement of photocopiers	KATR0273	Computers - software & programming	Computers - software & programming	81	-	100	100	New
Vote 3 - Corporate Services	Airconditioners	KATR0274	Furniture and other office equipment	Furniture and other office equipment	72	-	60	50	New

Vote 3 - Corporate Services	Shelves/Tables/Office furniture for library	KATR0275	Furniture and other office equipment	Furniture and other office equipment	55	100	100	–	Renewal
Vote 3 - Corporate Services	Enlarge Dwarskroosbos Library	KATR0285	Furniture and other office equipment	Furniture and other office equipment	250	–	–	–	Renewal
Vote 4 - Technical Services	Housing	GEBO0050	Social rental housings	Social rental housing	10,233	23,280	26,250	27,400	New
Vote 4 - Technical Services	Diverse equipment	KATR0179	Plant & equipment	Plant & equipment	4	4	5	5	New
Vote 4 - Technical Services	Tools	MATR0170	Plant & equipment	Plant & equipment	10	10	10	10	New
Vote 4 - Technical Services	Gravel access roads - cemetery	–	Infrastructure - Road transport	Roads, pavements & bridges	–	35	–	80	New
Vote 4 - Technical Services	Expansion of cemetery	GEBO0067	Cemeteries	Cemeteries	200	200	200	–	New
Vote 4 - Technical Services	Fence new cemetery : Porterville	–	Cemeteries	Cemeteries	–	150	150	–	New
Vote 4 - Technical Services	Upgrade entrance and parking	–	Infrastructure - Road transport	Roads, pavements & bridges	–	–	–	70	New
Vote 3 - Corporate Services	Office equipment	KATR0175	Furniture and other office equipment	Furniture and other office equipment	35	10	–	–	New
Vote 3 - Corporate Services	Photocopiers	KATR0176	Furniture and other office equipment	Furniture and other office equipment	300	400	–	–	New
Vote 3 - Corporate Services	Upgrade IT system (SITA Report)	–	Computers - software & programming	Computers - software & programming	–	–	–	500	New
Vote 3 - Corporate Services	Microsoft volume Licensing	KATR0270	Computers - software & programming	Computers - software & programming	600	200	–	–	New
Vote 3 - Corporate Services	Replacement of computers	KATR0271	Computers - software & programming	Computers - software & programming	176	200	–	100	Renewal
Vote 4 - Technical Services	Telemetry: Water	–	Infrastructure - Water	Reticulation	–	100	100	100	New
Vote 4 - Technical Services	LDV x 2 - Voertuig ervanging	–	General vehicles	General vehicles	–	500	580	600	New
Vote 4 - Technical Services	Tractor	–	General vehicles	General vehicles	–	280	290	300	New
Vote 1 - Municipal Manager	Diverse office furniture and equipment	–	Furniture and other office equipment	Furniture and other office equipment	–	10	–	–	New
Vote 1 - Municipal Manager	Computers replacement (MM)	–	Computers - hardware/equipment	Computers - hardware/equipment	–	–	16	16	New
Vote 1 - Municipal Manager	Printers (Replace)	–	Furniture and other office equipment	Furniture and other office equipment	–	2	2	2	Renewal
Vote 1 - Municipal Manager	Computers (Replace)	–	Furniture and other office equipment	Furniture and other office equipment	–	16	18	18	Renewal
Vote 3 - Corporate Services	Radio network for Disaster Management	MATR0187	Plant & equipment	Plant & equipment	225	220	–	–	New
Vote 3 - Corporate Services	Entrance Gates / Booms for Beach Res	–	Recreational facilities	Recreational facilities	–	30	–	120	New
Vote 3 - Corporate Services	Replace Kitchen Cupboards of chalets	–	Recreational facilities	Recreational facilities	–	100	100	–	Renewal
Vote 3 - Corporate Services	Paving at ablution facilities at Beach Res	–	Recreational facilities	Recreational facilities	–	50	50	10	New
Vote 3 - Corporate Services	Extend Laundry room at Stywelyne Beach	–	Recreational facilities	Recreational facilities	–	–	80	100	New
Vote 3 - Corporate Services	Pump Station with sewage line at Dwarskroosbos	–	Recreational facilities	Recreational facilities	–	–	800	–	New
Vote 4 - Technical Services	Pipeline PV	–	Infrastructure - Water	Reticulation	–	–	1,250	–	New
Vote 4 - Technical Services	Pipeline VD	–	Infrastructure - Water	Reticulation	–	–	1,250	–	New
Vote 3 - Corporate Services	Traffic calming measures - Raised intersection	–	Infrastructure - Road transport	Roads, Pavements & Bridges	–	–	–	400	New
Vote 3 - Corporate Services	Automation (sound & IT infrastructure) of	–	Plant & equipment	Plant & equipment	–	190	150	100	New
Vote 3 - Corporate Services	Upgrading of Library & Library Hall Kitchen	GEBO0086	Libraries	Libraries	112	–	–	–	Renewal
Vote 3 - Corporate Services	Upgrading of Noordhoek Library	–	Libraries	Libraries	–	–	150	–	Renewal
Vote 4 - Technical Services	Filler: Loop Street Pool	MATR0191	Swimming pools	Swimming pools	12	–	–	–	New
Vote 4 - Technical Services	Swimming Pool Fence (Acacia)	OMHE0014	Swimming pools	Swimming pools	25	–	–	–	New
Vote 4 - Technical Services	Enlarge recycling building	GEBO0084	Infrastructure - Other	Waste Management	500	–	400	–	New
Vote 4 - Technical Services	Replace Vehicles CFP3140	AVRT0076	General vehicles	General vehicles	430	–	–	–	New
Vote 4 - Technical Services	Establish composting facility	GEBO0085	Infrastructure - Other	Waste Management	100	–	–	–	New
Vote 4 - Technical Services	Chemical sprayer mounted on LDV	–	Plant & equipment	Plant & equipment	–	–	–	100	New
Vote 4 - Technical Services	Install Ozone filters at Albatros/Astr	WATR0105	Infrastructure - Water	Reticulation	–	35	–	–	New
Vote 4 - Technical Services	Basket screens for pumpstations	–	Infrastructure - Sanitation	Sewerage purification	–	50	100	150	New
Vote 4 - Technical Services	Pave sidewalks NH/Voortrekker RD	PAIE0139	Infrastructure - Road transport	Roads, Pavements & Bridges	83	200	200	200	New
Vote 4 - Technical Services	Diverse equipment	MATR0188	Plant & equipment	Plant & equipment	140	–	–	–	New
Vote 4 - Technical Services	Electronic Building Control register	KATR0281	Computers - software & programming	Computers - software & programming	40	–	–	–	New
Vote 4 - Technical Services	Air conditioning PV Office	MATR0189	Plant & equipment	Plant & equipment	15	–	–	–	New
Vote 4 - Technical Services	Water Renewals	–	Infrastructure - Water	Reticulation	–	50	50	60	New
Vote 4 - Technical Services	Sewer Renewals	–	Infrastructure - Sanitation	Sewerage purification	–	50	50	60	New
Vote 4 - Technical Services	Roads	–	Infrastructure - Road transport	Roads, Pavements & Bridges	–	–	–	200	New
Vote 4 - Technical Services	Refurbishment and upgrade of WWTW	–	Infrastructure - Sanitation	Sewerage purification	–	7,019	9,180	9,505	New
Vote 4 - Technical Services	ESKOM Load Shed Generators	MATR0190	Plant & equipment	Plant & equipment	210	–	–	–	New
Vote 2 - Finance	GIS STELSEL	KATR0286	Computers - software & programming	Computers - software & programming	250	1,000	500	–	New
Vote 4 - Technical Services	Bergivier Water Conservation and Dem	WATR0106	Infrastructure - Water	Reticulation	1,447	–	–	–	New
Vote 4 - Technical Services	PV WWTW Refurbishment and Upgrade	RIOL0044	Infrastructure - Sanitation	Sewerage purification	2,494	–	–	–	New
Vote 3 - Corporate Services	Locker for equipment	–	Furniture and other office equipment	Furniture and other office equipment	30	–	–	–	New
Vote 1 - Municipal Manager	Opgradering van die ingang van alle N	–	Other Buildings	Other Buildings	–	250	200	200	Renewal
Vote 3 - Corporate Services	4 X Lessenaar Kantoorbehe	–	Furniture and other office equipment	Furniture and other office equipment	–	20	–	–	New
Vote 3 - Corporate Services	Kleur Drukker (HP Colour LaserJet)	–	Furniture and other office equipment	Furniture and other office equipment	–	10	–	–	New
Vote 3 - Corporate Services	2 X Staal Laseer Kabinette	–	Furniture and other office equipment	Furniture and other office equipment	–	20	–	–	New
Vote 1 - Municipal Manager	Kleurdrukker en Scanner	–	Furniture and other office equipment	Furniture and other office equipment	–	10	–	–	New
Vote 1 - Municipal Manager	Stoel vir personeel	–	Furniture and other office equipment	Furniture and other office equipment	–	20	–	–	New

Vote 1 - Municipal Manager	Kamera	–			Furniture and other office equipment	Furniture and other office equipment				–	8	–	–		New
Vote 1 - Municipal Manager	Nuwe skerm vir projektor	–			Furniture and other office equipment	Furniture and other office equipment				–	5	–	–		Renewal
Vote 1 - Municipal Manager	Breekware, Urns & Industriële skoonma	–			Furniture and other office equipment	Furniture and other office equipment				–	20	–	–		Renewal
Vote 1 - Municipal Manager	Rekenaars vir ontvangsdames	–			Furniture and other office equipment	Furniture and other office equipment				–	20	–	–		New
Vote 1 - Municipal Manager	Nuwe bermakingsmateriaal vir Raad	–			Furniture and other office equipment	Furniture and other office equipment				–	20	–	–		New
Vote 3 - Corporate Services	Burglar Bars & Safety Gates	–			Other Buildings	Other Buildings				–	40	–	–		New
Vote 3 - Corporate Services	Bullet Proof Vests	–			Other Buildings	Other Buildings				–	50	–	–		New
Vote 3 - Corporate Services	Partition Board / Dry wall - Traffic Dept	–			Other Buildings	Other Buildings				–	10	–	–		Renewal
Vote 3 - Corporate Services	Bullet Proof Windows (VD & PV)	–			Infrastructure - Other	Other Buildings				–	75	–	–		New
Vote 3 - Corporate Services	Extension of traffic offices	–			Other assets	Other Buildings				–	–	150	300		New
Vote 3 - Corporate Services	Furniture & Equipment - Traffic Departm	–			Furniture and other office equipment	Furniture and other office equipment				–	–	–	50		New
Vote 3 - Corporate Services	Motor Vehicle	–			General vehicles	General vehicles				–	–	–	280		New
Vote 3 - Corporate Services	Wi-Fi for resorts	–			Furniture and other office equipment	Furniture and other office equipment				–	–	50	–		New
Vote 3 - Corporate Services	Rebuilding of fire fighting vehicles	–			General vehicles	General vehicles				–	–	100	100		Renewal
Vote 3 - Corporate Services	Skadunette vir verkeersdepartement	–			Furniture and other office equipment	Furniture and other office equipment				–	–	–	30		New
Vote 3 - Corporate Services	Filling Cabinets	–			Furniture and other office equipment	Furniture and other office equipment				–	30	–	–		New
Vote 3 - Corporate Services	Spatial Development Framework	–			Other (list sub-class)	Other (list sub-class)				–	–	–	1,000		New
Vote 3 - Corporate Services	Modular Library for Berghof Library	–			Libraries	Libraries				–	500	–	–		New
Vote 3 - Corporate Services	Upgrading of Porterville & Bettie Julius	–			Libraries	Libraries				–	–	–	350		Renewal
Vote 3 - Corporate Services	Blinds & Curtains	–			Libraries	Libraries				35	–	–	–		Renewal
Vote 3 - Corporate Services	Improvement of server room	–			Other Buildings	Other Buildings				–	80	–	–		Renewal
Vote 3 - Corporate Services	Vehicle Sport Officer	–			General vehicles	General vehicles				–	120	–	–		New
Vote 3 - Corporate Services	Building of offices in Admin. Service op	–			Other Buildings	Other Buildings				–	100	–	–		Renewal
Vote 4 - Technical Services	Pyp Vervangingsprogram	–			Infrastructure - Water	Reticulation				–	–	200	200		Renewal
Vote 4 - Technical Services	Aankoop van Bomag 90	–			Plant & equipment	Plant & equipment				–	–	120	–		New
Vote 4 - Technical Services	Aankoop van Vragmotor (Tipper)	–			General vehicles	General vehicles				–	–	550	–		New
Vote 3 - Corporate Services	Swimming Pool Renewals	–			Swimming pools	Swimming pools				–	–	30	30		New
Vote 4 - Technical Services	Herwinningsaanleg	–			Infrastructure - Other	Waste Management				–	300	1,500	–		New
Vote 4 - Technical Services	Kompostering	–			Infrastructure - Other	Waste Management				–	150	250	250		New
Parent Capital expenditure	1									44,924	55,758	57,202	62,154		

7. Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

2.13 Other supporting documents

Table SA1 - Supporting detail to budgeted financial performance

WC013 Bergrivier - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		40,162	47,802	52,147	55,414	55,000	55,000	55,000	59,521	63,092	66,878
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		1,924	2,654	3,018	3,486	3,886	3,886	3,886	3,844	4,074	4,318
Net Property Rates		38,238	45,148	49,130	51,928	51,114	51,114	51,114	55,677	59,018	62,560
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		66,498	74,317	78,917	92,192	92,092	92,092	92,092	103,245	109,646	116,456
less Revenue Foregone (in excess of 50 kwh per indigent household per month)											
less Cost of Free Basis Services (50 kwh per indigent household per month)		3,148	3,397	561	2,616	1,316	1,316	1,316	1,099	1,165	1,235
Net Service charges - electricity revenue		63,350	70,920	78,356	89,576	90,776	90,776	90,776	102,146	108,481	115,221
Service charges - water revenue	6										
Total Service charges - water revenue		19,210	20,994	23,617	26,408	26,408	26,408	26,408	26,488	28,578	30,914
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)											
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		3,062	1,408	1,318	2,178	1,778	1,778	1,778	1,723	2,070	2,280
Net Service charges - water revenue		16,148	19,586	22,298	24,230	24,630	24,630	24,630	24,765	26,508	28,634
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		9,309	10,699	11,701	12,510	12,410	12,410	12,410	13,261	14,057	14,901
less Revenue Foregone (in excess of free sanitation service to indigent households)											
less Cost of Free Basis Services (free sanitation service to indigent households)		2,193	2,272	2,068	2,952	2,552	2,552	2,552	2,983	3,478	4,055
Net Service charges - sanitation revenue		7,116	8,427	9,633	9,558	9,858	9,858	9,858	10,278	10,579	10,846
Service charges - refuse revenue	6										
Total refuse removal revenue		15,317	17,425	19,026	20,440	20,360	20,360	20,360	21,620	22,917	24,292
less Revenue Foregone (in excess of one removal a week to indigent households)											
less Cost of Free Basis Services (removed once a week to indigent households)		3,263	3,347	3,118	4,492	3,742	3,742	3,742	4,509	5,257	6,130
Net Service charges - refuse revenue		12,054	14,079	15,908	15,948	16,618	16,618	16,618	17,111	17,660	18,162
Other Revenue by source											
Sundries		677	1,796	1,140	1,085	1,409	1,409	1,409	1,409	1,494	1,583
Insurance Claims		655	253	43	92	100	100	100	100	105	110
Inspections		-	-	-	-	-	-	-	-	-	-
Admin Fee		9	7	12	279	279	279	279	279	296	314
Long-term Liabilities		2	-	-	-	-	-	-	-	-	-
Search Fee		-	0	-	1	1	1	1	1	1	1
Surplus Cash		1	3	1	1	1	1	1	1	1	1
Employee Benefits		-	16	-	-	-	-	-	-	-	-
Land Sales		-	240	26	-	-	-	-	-	-	-
Photo Copies		40	48	47	39	39	39	39	41	43	45
Refuse Bags		5	4	3	1	1	1	1	1	1	1
Cemeteries		215	239	264	254	254	254	254	269	285	302
Private Works		8	2	4	5	5	5	5	5	5	5
Rezoning		51	78	78	212	212	212	212	212	225	239
New Connections		316	419	378	344	390	390	390	413	438	464
Reconnection Fees		1	-	3	1	11	11	11	11	12	13
Landfill revenue		13	70	305	530	330	330	330	330	350	371
Traders		68	66	74	64	64	64	64	68	72	76
Fire Station		-	-	-	5	5	5	5	5	5	5
Building Plans		386	449	504	424	424	424	424	449	476	505
Unamortised Discount		-	1	16	-	-	-	-	-	-	-
Contributed Property, Plant and Equipment		-	-	857	-	-	-	-	-	-	-
Total 'Other' Revenue	1	2,446	3,688	3,758	3,337	3,525	3,525	3,525	3,594	3,809	4,035

EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	44,258	46,780	53,889	60,444	58,012	58,012	58,012	65,657	69,597	74,541
Pension and UIF Contributions		7,809	8,371	9,325	11,090	10,175	10,175	10,175	12,161	12,890	13,665
Medical Aid Contributions		3,315	3,558	3,967	5,433	5,504	5,504	5,504	6,158	6,529	6,921
Overtime		2,699	2,935	3,354	3,287	4,764	4,764	4,764	3,502	3,712	3,936
Performance Bonus		-	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		3,230	3,385	3,509	3,750	3,984	3,984	3,984	3,835	4,065	4,309
Cellphone Allowance		-	-	-	-	-	-	-	-	-	-
Housing Allowances		487	472	494	499	1,365	1,365	1,365	1,138	1,203	1,263
Other benefits and allowances		8,023	9,018	8,982	10,000	10,063	10,063	10,063	11,754	12,456	13,200
Payments in lieu of leave		889	751	880	529	265	265	265	493	522	553
Long service awards		386	516	378	780	1,154	1,154	1,154	853	910	969
Post-retirement benefit obligations	4	1,063	1,224	1,754	1,915	1,927	1,927	1,927	2,101	2,244	2,397
sub-total	5	72,161	77,010	86,531	97,727	97,212	97,212	97,212	107,653	114,128	121,754
Less: Employees costs capitalised to PPE											
		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	72,161	77,010	86,531	97,727	97,212	97,212	97,212	107,653	114,128	121,754
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		14,481	14,935	15,825	17,944	18,039	18,039	18,039	18,039	19,122	20,357
Total Depreciation & asset impairment	1	14,481	14,935	15,825	17,944	18,039	18,039	18,039	18,039	19,122	20,357
Bulk purchases											
Electricity Bulk Purchases		50,212	50,391	57,353	67,329	67,329	67,329	67,329	71,727	76,031	80,592
Water Bulk Purchases		4,208	4,074	4,243	4,963	5,063	5,063	5,063	5,000	5,300	5,618
Total bulk purchases	1	54,421	54,465	61,596	72,292	72,392	72,392	72,392	76,727	81,331	86,210
Transfers and grants											
Cash transfers and grants		2,393	2,561	3,091	3,331	3,331	3,331	3,331	3,578	3,863	4,173
Non-cash transfers and grants		-	-	1,652	-	-	-	-	-	-	-
Total transfers and grants	1	2,393	2,561	4,742	3,331	3,331	3,331	3,331	3,578	3,863	4,173
Contracted services											
List services provided by contract		5,223	7,465	-	-	-	-	-	-	-	-
sub-total	1	5,223	7,465	-	-	-	-	-	-	-	-
Total contracted services		5,223	7,465	-	-	-	-	-	-	-	-
Other Expenditure By Type											
Audit fees		2,504	2,459	2,672	2,800	2,800	2,800	2,800	2,800	2,968	3,146
Advertisement		579	649	699	748	738	738	738	817	864	893
Bank Charges		308	275	432	396	470	470	470	520	551	584
Books		20	10	2	52	48	48	48	64	67	69
Cemetery		2	-	-	3	3	3	3	3	3	3
Chemicals		533	519	595	812	789	789	789	839	888	942
Employee Benefits		1,449	3,770	750	-	-	-	-	-	-	-
Entertainment		223	200	282	347	357	357	357	357	375	392
Fuel		2,639	2,932	2,826	2,984	2,886	2,886	2,886	3,055	3,239	3,432
Impact Studies		479	534	422	474	466	466	466	541	573	607
Insurance		1,040	683	942	1,336	1,422	1,422	1,422	1,458	1,543	1,616
Internal Charges		-	-	-	297	286	286	286	296	312	331
Legal Fees		265	326	171	778	276	276	276	488	516	434
Licensing		466	461	455	728	641	641	641	1,000	1,058	1,119
Lost Books		13	9	8	16	16	16	16	16	17	18
Materials		955	1,467	1,371	1,401	1,486	1,486	1,486	1,520	1,610	1,702
Membership Fees		610	714	892	1,043	1,101	1,101	1,101	1,035	1,095	1,157
Old Items		-	-	-	-	-	-	-	-	-	-
Other Operating Grant Expenditure		2,609	4,068	1,867	2,826	33,206	33,206	33,206	3,187	3,620	3,137
Planning and Development		96	50	186	58	58	58	58	80	85	90
Postage		420	446	413	601	680	680	680	728	770	811
PPE		-	-	-	-	-	-	-	-	-	-
Printing		52	137	235	303	306	306	306	354	371	386
Professional Fees		0	7,465	9,414	8,657	9,197	9,197	9,197	10,134	10,742	10,941
Projects		-	-	44	125	105	105	105	126	134	142
Protective Clothing		293	362	376	449	459	459	459	496	525	556
Refuse Bags		414	764	881	1,071	1,066	1,066	1,066	1,276	1,351	1,426
Rent Buildings		-	-	-	-	-	-	-	-	-	-
Rent Equipment		146	113	124	408	423	423	423	419	443	469
Repairs and Maintenance		4,838	4,239	5,059	6,049	6,255	6,255	6,255	6,943	7,345	7,734
RSC Levies		-	-	-	-	-	-	-	-	-	-
Services		3	(2,623)	-	5,384	6,439	6,439	6,439	6,439	6,825	6,052
Sport Fields		100	91	115	184	181	181	181	262	276	290
Stationary		548	703	679	784	850	850	850	853	903	956
Street Lighting		-	-	-	-	-	-	-	-	-	-
Subscriptions		-	-	63	-	77	77	77	12	13	-
Sundries		318	782	518	866	802	802	802	703	743	785
Telephone Costs		1,251	1,228	1,275	1,679	1,661	1,661	1,661	1,622	1,717	1,809
Tools		126	254	182	199	208	208	208	205	216	227
Traffic Signs		87	106	122	161	136	136	136	146	154	162
Training		719	809	1,097	1,562	1,530	1,530	1,530	1,283	1,358	1,437
Travel and Entertainment		452	556	1,066	911	978	978	978	1,139	1,204	1,275
Trees		1	21	3	23	24	24	24	26	26	26
Unions		28	41	48	50	90	90	90	120	127	135
Valuations		707	709	79	350	150	150	150	250	1,000	1,060
Vertilizer		2	13	12	31	28	28	28	29	31	33
Total 'Other' Expenditure	1	25,292	35,343	36,378	46,945	78,693	78,693	78,693	51,639	55,658	56,384
Repairs and Maintenance by Expenditure Item											
Other Expenditure	8	4,838	4,239	5,059	6,049	6,255	6,255	6,049	6,943	7,345	7,734
Total Repairs and Maintenance Expenditure	9	4,838	4,239	5,059	6,049	6,255	6,255	6,049	6,943	7,345	7,734

Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

WC013 Bergvriër - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure)						
Description	Ref	Vote 1 - Municipal Manager	Vote 2 - Finance	Vote 3 - Corporate Services	Vote 4 - Technical Services	Total
R thousand	1					
Revenue By Source						
Property rates		–	55,677	–	–	55,677
Property rates - penalties & collection charges		–	–	–	–	–
Service charges - electricity revenue		–	–	–	102,146	102,146
Service charges - water revenue		–	–	–	24,765	24,765
Service charges - sanitation revenue		–	–	–	10,278	10,278
Service charges - refuse revenue		150	–	–	16,961	17,111
Service charges - other		–	–	–	–	–
Rental of facilities and equipment		–	–	3,930	312	4,242
Interest earned - external investments		–	3,200	–	–	3,200
Interest earned - outstanding debtors		–	4,240	–	–	4,240
Dividends received		–	–	–	–	–
Fines		–	–	4,307	–	4,307
Licences and permits		–	–	1,560	–	1,560
Agency services		–	61	1,980	–	2,041
Other revenue		6	475	1,084	2,029	3,594
Transfers recognised - operational		23,064	845	5,910	14,112	43,931
Gains on disposal of PPE		–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		23,220	64,498	18,771	170,603	277,092
Expenditure By Type						
Employee related costs		9,773	15,654	29,704	52,522	107,653
Remuneration of councillors		4,883	–	–	–	4,883
Debt impairment		–	1,670	2,029	5,151	8,851
Depreciation & asset impairment		89	233	1,732	15,985	18,039
Finance charges		–	–	3,887	8,327	12,214
Bulk purchases		–	–	–	76,727	76,727
Other materials		–	–	–	–	–
Contracted services		–	–	–	–	–
Transfers and grants		3,578	–	–	–	3,578
Other expenditure		2,318	(14,757)	6,931	57,147	51,639
Loss on disposal of PPE		–	–	–	–	–
Total Expenditure		20,640	2,800	44,284	215,859	283,583
Surplus/(Deficit)		2,580	61,698	(25,513)	(45,256)	(6,491)
Transfers recognised - capital		–	750	770	36,804	38,324
Contributions recognised - capital		–	–	–	–	–
Contributed assets		–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		2,580	62,448	(24,743)	(8,452)	31,833

Table SA3 – Supporting detail to Statement of Financial Position

WC013 Berggrivier - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 day s		–	–	36,560	20,000	36,560	36,560	36,560	40,000	45,000	50,000
Other current investments > 90 days		–	–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	–	–	36,560	20,000	36,560	36,560	36,560	40,000	45,000	50,000
Consumer debtors											
Consumer debtors		42,722	68,671	71,126	83,594	80,532	80,532	80,532	88,664	94,215	100,094
Less: Provision for debt impairment		(11,942)	(14,146)	(11,837)	(23,564)	(11,137)	(11,137)	(11,137)	(17,959)	(20,684)	(22,050)
Total Consumer debtors	2	30,780	54,525	59,289	60,030	69,394	69,394	69,394	70,705	73,531	78,044
Debt impairment provision											
Balance at the beginning of the year		12,439	11,942	14,146	21,838	9,411	9,411	9,411	11,137	17,959	20,684
Contributions to the provision		417	2,533	–	1,726	1,726	1,726	1,726	6,822	2,725	1,367
Bad debts written off		(914)	(329)	–	–	–	–	–	–	–	–
Balance at end of year		11,942	14,146	14,146	23,564	11,137	11,137	11,137	17,959	20,684	22,050
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		352,801	381,263	437,675	479,418	480,809	480,809	480,809	534,317	590,919	651,373
Leases recognised as PPE	3	590	806	779	806	779	779	779	779	779	779
Less: Accumulated depreciation		94,592	107,916	118,899	141,100	136,845	136,845	136,845	154,884	174,006	194,363
Total Property, plant and equipment (PPE)	2	258,799	274,153	319,554	339,124	344,743	344,743	344,743	380,212	417,692	457,789
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		3,518	4,083	2,954	–	–	–	–	–	–	–
Total Current liabilities - Borrowing		3,518	4,083	2,954	–	–	–	–	–	–	–
Trade and other payables											
Trade and other creditors		18,432	26,578	20,475	31,719	47,126	47,126	47,126	36,623	39,021	40,739
Unspent conditional transfers		181	–	3,733	1,995	(0)	(0)	(0)	–	–	–
VAT		195	–	1,533	2,639	1,301	1,301	1,301	2,689	2,945	3,312
Total Trade and other payables	2	18,808	26,578	25,741	36,352	48,427	48,427	48,427	39,312	41,966	44,051
Non current liabilities - Borrowing											
Borrowing	4	49,204	55,176	46,148	58,747	51,817	51,817	51,817	54,716	63,556	61,745
Finance leases (including PPP asset element)		–	242	240	0	240	240	240	268	284	300
Total Non current liabilities - Borrowing		49,204	55,418	46,388	58,747	52,057	52,057	52,057	54,984	63,840	62,045
Provisions - non-current											
Retirement benefits		26,509	33,007	38,803	39,659	43,099	43,099	43,099	48,073	53,386	59,060
List other major provision items		–	–	–	–	–	–	–	–	–	–
Refuse landfill site rehabilitation		25,278	26,615	55,934	29,789	58,350	58,350	58,350	60,871	63,501	66,244
Other		–	–	–	–	–	–	–	–	–	–
Total Provisions - non-current		51,787	59,622	94,737	69,449	101,449	101,449	101,449	108,944	116,886	125,303
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		197,520	199,519	220,848	230,411	257,911	257,911	257,911	283,723	312,686	351,300
GRAP adjustments		1,383	(1,598)	3,762	–	–	–	–	–	–	–
Restated balance		198,903	197,921	224,611	230,411	257,911	257,911	257,911	283,723	312,686	351,300
Surplus/(Deficit)		7,627	22,265	35,904	48,821	25,850	25,850	25,850	31,833	37,779	46,235
Appropriations to Reserves		4,629	(3,621)	(7,206)	8,162	(7,922)	(7,922)	(7,922)	(13,554)	(8,258)	(12,570)
Transfers from Reserves		(11,640)	2,780	4,602	(7,769)	7,885	7,885	7,885	10,684	9,093	10,913
Depreciation offsets		–	–	–	–	–	–	–	–	–	–
Other adjustments		–	–	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	199,519	219,345	257,911	279,624	283,723	283,723	283,723	312,686	351,300	395,878
Reserves											
Housing Development Fund		558	564	552	298	473	473	473	401	247	84
Capital replacement		8,722	9,557	12,172	10,411	12,288	12,288	12,288	15,231	14,550	16,370
Self-insurance		–	–	–	–	–	–	–	–	–	–
Other reserves		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
Total Reserves	2	9,280	10,120	12,724	10,709	12,761	12,761	12,761	15,631	14,797	16,454
TOTAL COMMUNITY WEALTH/EQUITY	2	208,799	229,466	270,635	290,333	296,484	296,484	296,484	328,317	366,097	412,331

Table SA9 – Social, economic and demographic statistics and assumptions

WC013 Bergrivier - Supporting Table SA9 Social, economic and demographic statistics and assumptions												
Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			46	44	46	62	62	62	62	62	62	62
Females aged 5 - 14			4	4	4	5	5	5	5	5	5	5
Males aged 5 - 14			4	4	4	5	5	5	5	5	5	5
Females aged 15 - 34			8	7	8	11	11	11	11	11	11	11
Males aged 15 - 34			9	8	9	10	10	10	10	10	10	10
Unemployment			2	2	2	18	18	18	18	18	18	18
Monthly household income (no. of households)	1, 12											
No income			239	7,856	239	18,460	18,460	18,460	18,460	18,460	18,460	18,460
R1 - R1 600			15,083	10,785	15,083	21,529	21,529	21,529	21,529	21,529	21,529	21,529
R1 601 - R3 200			1,891	3,169	1,891	2,884	2,884	2,884	2,884	2,884	2,884	2,884
R3 201 - R6 400			1,641	1,543	1,641	2,366	2,366	2,366	2,366	2,366	2,366	2,366
R6 401 - R12 800			690	1,430	690	1,480	1,480	1,480	1,480	1,480	1,480	1,480
R12 801 - R25 600			171	359	171	427	427	427	427	427	427	427
R25 601 - R51 200			57	61	57	107	107	107	107	107	107	107
R52 201 - R102 400			31	20	31	62	62	62	62	62	62	62
R102 401 - R204 800			14	18	14	52	52	52	52	52	52	52
R204 801 - R409 600			9	-	9	-	-	-	-	-	-	-
R409 601 - R819 200			-	-	-	-	-	-	-	-	-	-
> R819 200			-	-	-	-	-	-	-	-	-	-
Poverty profiles (no. of households)												
< R2 060 per household per month	13		1,170	1,200	1,170	1971.00	1971.00	1971.00	1971.00	1971.00	1971.00	1971.00
Insert description	2					Indigent	Indigent	Indigent	Indigent	Indigent	Indigent	Indigent
Household/demographics (000)												
Number of people in municipal area			46,327	44,327	46,327	62	62	62	62	62	62	62
Number of poor people in municipal area			11,497	19,554	11,497	25	25	25	25	25	25	25
Number of households in municipal area			11,700	12,198	11,700	16	16	16	16	16	16	16
Number of poor households in municipal area			1,170	1,200	1,170	2	2	2	2	2	2	2
Definition of poor household (R per month)			0-R800	0-R800	0-R800	0-R800	0-R800	0-R800	0-R800	0-R800	0-R800	0-R800
Housing statistics	3											
Formal			10,737	11,015	10,737	14,449	14,449	14,449	14,449	14,449	14,449	14,449
Informal			29	-	29	149	149	149	149	149	149	149
Total number of households			10,766	11,015	10,766	14,598	14,598	14,598	14,598	14,598	14,598	14,598
Dwellings provided by municipality	4		-	-	-	-	-	-	-	-	257	-
Dwellings provided by province/s			-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5		-	-	-	-	-	-	-	-	-	-
Total new housing dwellings			-	-	-	-	-	-	-	-	257	-

Table SA11 Property rates summary

WC013 Bergrivier - Supporting Table SA11 Property rates summary										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Valuation:	1									
Date of valuation:					01/07/2012					
Financial year valuation used					01/07/2013					
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)		No	No	No	No	No	No	No	No	No
No. of assistant valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of data collectors (FTE)	3	-	-	-	-	-	-	-	-	-
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)										
No. of properties	5				12,690	12,690	12,690			
No. of sectional title values	5				270	270	270			
No. of unreasonably difficult properties s7(2)					20	20	20			
No. of supplementary valuations					2	2	2			
No. of valuation roll amendments					-	-	-			
No. of objections by rate payers					2	2	2			
Supplementary valuation					52	52	52			
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)					109	109	109			
Valuation reductions:										
Valuation reductions-R15,000 threshold (Rm)					149	149	149			
Total valuation reductions:		-	-	-	149	149	149	-	-	-
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	5	No	No	No	No			No		
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)		No	No	No	No			No		
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Rate revenue:										
Rate revenue budget (R '000)	6				48,030	48,030	48,030			
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)					88.0%	88.0%	88.0%			
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)					-	-	-			
Rebates, exemptions - pensioners (R'000)					633	633	633			
Rebates, exemptions - bona fide farm. (R'000)					492	492	492			
Rebates, exemptions - other (R'000)					1,707	1,707	1,707			
Phase-in reductions/discounts (R'000)					-	-	-			
Total rebates, exemptns, reductns, discs (R'000)		-	-	-	2,832	2,832	2,832	-	-	-

Table SA12a Property rates by category (current year)

WC013 Bergrivier - Supporting Table SA12a Property rates by category (current year)																	
Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2015/16																	
Valuation:																	
No. of properties		10,808	109	346	876	43	548	-	-	-	-	-	-	-	-	-	-
No. of sectional title property values		201	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Frequency of valuation (select)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Method of valuation used (select)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Base of valuation (select)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flat rate used? (Y/N)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Is balance rated by uniform rate/variable rate?		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		149	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																	
Total value used for rating (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rating:																	
Average rate	3	0.009740	0.010720	0.010720	0.002440	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,eductns,discs (R'000)																	

Table SA12b Property rates by category (budget year)

WC013 Bergrivier - Supporting Table SA12b Property rates by category (budget year)																	
Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2016/17																	
Valuation:																	
No. of properties		10,910	109	346	876	43	550	-	-	-	-	-	-	-	-	-	-
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Frequency of valuation (select)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Method of valuation used (select)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																	
Total value used for rating (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rating:																	
Average rate	3	0.010320	0.011352	0.011352	0.002580	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,eductns,discs (R'000)																	

Table SA13a Service Tariffs by category

WC013 Bergrivier - Supporting Table SA13a Service Tariffs by category									
Description	Ref	Provide description of tariff structure where appropriate	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
							Budget Year	Budget Year	Budget Year
							2016/17	+1 2017/18	+2 2018/19
Property rates (rate in the Rand)	1								
Residential properties			0.00788	0.00851	0.00919	0.00974	0.01032	0.01094	0.01160
Farm properties - used			0.00158	0.00213	0.00230	0.00244	0.00258	0.00274	0.00290
Industrial properties			0.00867	0.00936	0.01011	0.01072	0.01135	0.01203	0.01276
Business and commercial properties			0.00867	0.00936	0.01011	0.01072	0.01135	0.01203	0.01276
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate			5,000	5,000	5,000	5,000	5,000	5,000	5,000
Indigent rebate or exemption			5,000	5,000	5,000	5,000	5,000	5,000	5,000
Pensioners/social grants rebate or exemption			50%	50%	50%	50%	50%	50%	50%
Temporary relief rebate or exemption			0%	0%	0%	0%	0%	0%	0%
Bona fide farmers rebate or exemption			85%	85%	85%	85%	85%	85%	85%
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			31.31	33.83	36.54	38.60	41.00	43.86	46.49
Service point - vacant land (Rands/month)			40.51	43.76	47.26	50.07	53.08	56.29	59.65
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff		(describe structure)							
Water usage - Block 1 (c/kl)		0-6	4.40	4.75	5.13	5.44	5.76	6.11	6.48
Water usage - Block 2 (c/kl)		7-20	8.86	9.57	10.34	10.96	11.62	12.32	13.06
Water usage - Block 3 (c/kl)		21-50	8.87	9.58	10.35	10.96	11.62	12.32	13.06
Water usage - Block 4 (c/kl)		51-100	10.21	11.03	11.91	12.62	13.38	14.18	15.04
Water usage - Block 5 (c/kl)		101-200	10.73	11.59	12.51	13.26	14.06	14.90	15.80
Water usage - Block 6 (c/kl)		201-1000	11.28	12.19	13.17	13.96	14.79	15.68	16.62
Water usage - Block 7 (c/kl)		1001-1500	9.58	10.35	11.18	11.86	12.57	13.32	14.12
Water usage - Block 8 (c/kl)		1501-2000	8.15	8.80	9.50	10.07	10.67	11.32	11.99
Water usage - Block 9 (c/kl)		2000+	6.90	7.45	8.04	8.53	9.04	9.58	10.16
Other	2								
Waste water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			94.75	102.33	110.52	117.54	124.60	132.04	139.96
Service point - vacant land (Rands/month)			75.20	81.21	87.71	92.98	98.56	104.46	110.75
Electricity tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			124.00	137.60	147.64	165.65	178.90	189.64	201.02
Service point - vacant land (Rands/month)			98.29	106.15	114.65	121.49	128.80	136.55	144.74
Meter - IBT Block 1 (c/kwh)		0 - 50 kwh			0.73	0.79	0.85	0.90	0.96
Meter - IBT Block 2 (c/kwh)		51 - 350 kwh			0.91	1.00	1.08	1.14	1.21
Meter - IBT Block 3 (c/kwh)		351 - 600 kwh			1.04	1.16	1.25	1.33	1.41
Meter - IBT Block 4 (c/kwh)		> 600 kwh			1.13	1.27	1.37	1.45	1.54
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)		0 - 50 kwh			0.73	0.79	0.90	0.95	1.01
Prepaid - IBT Block 2 (c/kwh)		51 - 350 kwh			0.91	1.00	1.12	1.19	1.26
Prepaid - IBT Block 3 (c/kwh)		351 - 600 kwh			1.22	1.38	1.50	1.59	1.69
Prepaid - IBT Block 4 (c/kwh)		> 600 kwh			1.43	1.62	1.76	1.87	1.98
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/ fixed fee			128.02	138.26	149.32	157.89	167.37	177.19	187.72

WC013 Bergvrierv - Supporting Table SA13b Service Tariffs by category - explanatory									
Description	Ref	Provide description of tariff structure where appropriate	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
							Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Exemptions, reductions and rebates (Rands)									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	
General residential rebate			5,000	5,000	5,000	5,000	5,000	5,000	
Bona fide farmers rebate or exemption:									
0 - 5 houses on property				1.00%	1.00%	1%	1%	1%	1%
6 -10 houses on property				2.00%	2.00%	2%	2%	2%	2%
11-15 houses on property				3.00%	3.00%	3%	3%	3%	3%
16 -20 houses on property				4.00%	4.00%	4%	4%	4%	4%
>20 houses on property				5.00%	5.00%	5%	5%	5%	5%
If electricity provided to worker's houses				0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
If water is provided to worker's houses				0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
If sewer is provided to worker's houses				0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
If refuse is removed from worker's houses				0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
If school on property				1.00%	1.00%	1%	1%	1%	1%
If sport facilities on property				1.00%	1.00%	1%	1%	1%	1%
If transport is provided to workers				1.00%	1.00%	1%	1%	1%	1%
If training is provided to workers				1.00%	1.00%	1%	1%	1%	1%
Water tariffs									
0 - 6		(fill in thresholds)	4.40	4.75	5.13	5.44	5.76	6.11	6.48
7 - 20		(fill in thresholds)	8.86	9.57	10.34	10.96	11.62	12.32	13.06
21 - 50		(fill in thresholds)	8.87	9.58	10.35	10.96	11.62	12.32	13.06
51 - 100		(fill in thresholds)	10.21	11.03	11.91	12.62	13.38	14.18	15.04
101 - 200		(fill in thresholds)	10.73	11.59	12.51	13.26	14.06	14.90	15.80
201 - 1000		(fill in thresholds)	11.28	12.19	13.17	13.96	14.79	15.68	16.62
1001 - 1500		(fill in thresholds)	9.58	10.35	11.18	11.86	12.57	13.32	14.12
1501 - 2000		(fill in thresholds)	8.15	8.80	9.50	10.07	10.67	11.32	11.99
2000 +		(fill in thresholds)	6.90	7.45	8.04	8.53	9.04	9.58	10.16
Waste water tariffs									
Basic charge/fixed fee		(fill in structure)	94.75	102.33	110.52	117.54	124.60	132.04	139.96
Electricity tariffs									
Basic charge/ Fixed fee : Single Phase		(fill in thresholds)	124.00	137.60	147.64	165.65	178.90	189.64	201.02
Basic charge/ Fixed fee : Three Phase		(fill in thresholds)	445.00	492.33	528.27	592.72	640.14	678.55	719.26
Basic charge/ Fixed fee : KVA		(fill in thresholds)	126.00	139.75	149.95	168.24	181.69	192.59	204.15
Cons Single Phase									
0 - 50kwh			0.63	0.68	0.73	0.79	0.85	0.90	0.96
51 - 350 kwh			0.79	0.85	0.91	1.00	1.08	1.14	1.21
351 - 600kwh			0.90	0.96	1.04	1.16	1.25	1.33	1.41
601+kwh			0.98	1.05	1.13	1.27	1.37	1.45	1.54
Cons Three Phase									
0 - 50kwh			0.98	1.05	1.13	1.27	1.36	1.44	1.53
51 - 350 kwh			0.98	1.05	1.13	1.27	1.36	1.44	1.53
351 - 600kwh			0.98	1.05	1.13	1.27	1.36	1.44	1.53
601+kwh			0.98	1.05	1.13	1.27	1.36	1.44	1.53
Consumption KVA									
0 - 50kwh			0.68	0.73	0.78	0.88	0.95	1.01	1.07
51 - 350 kwh			0.68	0.73	0.78	0.88	0.95	1.01	1.07
351 - 600kwh			0.68	0.73	0.78	0.88	0.95	1.01	1.07
601+kwh			0.68	0.73	0.78	0.88	0.95	1.01	1.07
Cons Lifeline									
0 - 50kwh			0.60	0.65	0.75	0.79	0.85	0.90	0.96
51 - 350 kwh			0.71	0.76	0.82	0.93	1.00	1.06	1.13
351 - 600kwh			0.77	0.82	0.88	1.00	1.08	1.14	1.21
601+kwh			0.88	0.95	1.03	1.15	1.25	1.33	1.41
Prepaid Single Phase									
0 - 50kwh			0.63	0.68	0.73	0.79	0.90	0.95	1.01
51 - 350 kwh			0.79	0.85	0.91	1.00	1.12	1.19	1.26
351 - 600kwh			1.06	1.14	1.22	1.38	1.50	1.59	1.69
601+kwh			1.24	1.33	1.43	1.62	1.76	1.87	1.98
Prepaid Lifeline									
0 - 50kwh			0.66	0.71	0.75	0.79	0.92	0.97	1.03
51 - 350 kwh		(fill in thresholds)	0.72	0.77	0.82	0.93	1.02	1.08	1.14
351 - 600kwh		(fill in thresholds)	0.76	0.82	0.88	0.99	1.08	1.14	1.21
601+kwh		(fill in thresholds)	0.89	0.96	1.03	1.16	1.26	1.34	1.42
Prepaid Three Phase		(fill in thresholds)							
0 - 50kwh		(fill in thresholds)	1.08	1.16	1.25	1.40	1.53	1.63	1.72
51 - 350 kwh		(fill in thresholds)	1.08	1.16	1.25	1.40	1.53	1.63	1.72
351 - 600kwh		(fill in thresholds)	1.08	1.16	1.25	1.40	1.53	1.63	1.72
601+kwh		(fill in thresholds)	1.08	1.16	1.25	1.40	1.53	1.63	1.72

Table SA21 Transfers and grants made by the municipality

WC013 Bergervier - Supporting Table SA21 Transfers and grants made by the municipality											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash Transfers to Organisations											
POMA		660	713	750	795	795	795	795	843	910	983
Toerismeburo's: PB; PV; VD		630	-	-	-	-	-	-	-	-	-
Toerisme: Organisasie BR		425	1,169	1,435	1,500	1,500	1,500	1,500	1,640	1,771	1,913
Museums: PB & PV		165	356	190	403	403	403	403	427	461	498
Museums: PV		124	-	190	-	-	-	-	-	-	-
Museums: GV		-	-	-	-	-	-	-	-	-	-
Museums: VD		-	19	20	21	21	21	21	22	24	26
Museums: BR		-	-	-	-	-	-	-	-	-	-
Sportrade: PB		30	83	26	56	56	56	56	59	64	69
Sportrade: PV		15	45	26	52	52	52	52	55	60	65
Sportrade: VD		-	39	-	52	-	-	-	-	-	-
Sportrade: RH; AR; EK; GV; WW		55	-	-	-	-	-	-	-	-	-
Sportforum		10	16	29	10	62	62	62	66	71	77
Boland Rugby		-	-	75	100	100	100	100	106	114	123
SPCA		-	-	100	106	106	106	106	112	121	131
PB Golf		35	-	-	-	-	-	-	-	-	-
Veldrif Rotbalkklub		40	-	-	-	-	-	-	-	-	-
Bergervier Golf		40	-	-	-	-	-	-	-	-	-
Bergervier Bewaring		-	-	-	-	-	-	-	-	-	-
BEMF		110	108	112	119	119	119	119	126	136	147
Bergervier Canoe Marathon		-	-	-	50	50	50	50	50	54	58
Veldrif Animal Welfare		-	-	3	11	11	11	11	12	13	14
Piketberg Animal Welfare		-	-	15	16	16	16	16	17	18	19
St Helena Bay Water Quality Trust		-	-	-	40	40	40	40	42	46	50
Other		54	13	121	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		2,393	2,561	3,091	3,331	3,331	3,331	3,331	3,578	3,863	4,173
Cash Transfers to Groups of Individuals											
Insert description		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	2,393	2,561	3,091	3,331	3,331	3,331	3,331	3,578	3,863	4,173
Groups of Individuals											
Indigents - Water	5	-	-	607	-	-	-	-	-	-	-
Indigents - Electricity		-	-	1,045	-	-	-	-	-	-	-
Total Non-Cash Grants To Groups Of Individuals:		-	-	1,652	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	1,652	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	2,393	2,561	4,742	3,331	3,331	3,331	3,331	3,578	3,863	4,173

Table SA32 – List of external mechanisms

WC013 Bergvriervier - Supporting Table SA32 List of external mechanisms					
External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
TRUSC	Yrs	4	IT	30 June 2018	350
Autopage	Yrs	2	Cellphones		360
Yoharde Traiding	Yrs	3	Photo Copiers	31 May 2015	
Conlog	Yrs	3	Prepaid Electricity System	30 April 2018	1,400
G4S	Yrs	3	Transfer of Money	30 June 2016	300
ABSA	Yrs	5	Bank Services	30 June 2018	360
CAB Holdings	Yrs	Ongoing	Printing of Accounts		200
New Meters	Yrs	Ongoing	Meter Reading System		12
Cillie & Associates	Yrs	4	Municipal Valuator	30 June 2017	60
Fujitsu	Yrs	Ongoing	Financial system		500
Wasteman	Yrs	3	Refuse Removal	30 June 2015	1,400

2.14 Municipal manager's quality certificate

I J A van Niekerk acting municipal manager of Bergrivier Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

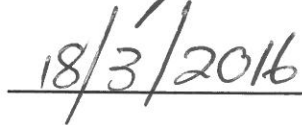
Print Name J A van Niekerk

Acting Municipal Manager of Bergrivier Municipality (WC013)

Signature

A handwritten signature in black ink, appearing to be 'J A van Niekerk', is written over a horizontal line.

Date

A handwritten date '18/3/2016' is written over a horizontal line.

MUNISIPALITEIT BERGRIVIER

TARIEWE

Tariewe van toepassing met ingang van eerste rekening wat gelewer word na 1 Julie tensy anders aangedui.	Tarief vanaf 1 Julie 2015
ALLE TARIEWE SLUIT B.T.W. IN	R

Tarief vanaf 1 Julie 2016 Voorlopig
R

Tarief vanaf 1 Julie 2017 Voorlopig
R

Tarief vanaf 1 Julie 2018 Voorlopig
R

1 BEGRAAFPLAASFOOIE ALLE BEGRAAFPLASE

a) Inwoners en Belastingbetalers

Enkel Graf	1,025.00	6.05%	1,087.00	5.98%	1,152.00	5.99%	1,221.00
Dubbel graf langs mekaar	2,050.00	6.00%	2,173.00	5.98%	2,303.00	5.99%	2,441.00
Duplex Graf	1,558.00	5.97%	1,651.00	6.00%	1,750.00	6.00%	1,855.00
Kinder Ry	440.00	5.91%	466.00	6.01%	494.00	6.07%	524.00
NIS	1,006.00	5.96%	1,066.00	6.00%	1,130.00	6.02%	1,198.00
Oopmaak van duplex graf	295.00	6.10%	313.00	6.07%	332.00	6.02%	352.00
Toemaak van duplex graf	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00
Addisionele uitgraving vir uitbou van graf			318.00	5.97%	337.00	5.93%	357.00

Geregistreeerde deernis persone en hulle wettige getroude gades wat staatsouderdompensioen ontvang, kwalifiseer vir 50% korting op begraafplaasfooie.

b) Nie-Munisipale Inwoners tydens sterfte

Enkel Graf	1,539.00	5.98%	1,631.00	6.01%	1,729.00	6.02%	1,833.00
Dubbel graf langs mekaar	3,080.00	6.01%	3,265.00	6.00%	3,461.00	6.01%	3,669.00
Duplex Graf	2,338.00	5.99%	2,478.00	6.01%	2,627.00	6.01%	2,785.00
Kinder Ry	660.00	6.06%	700.00	6.00%	742.00	6.06%	787.00
NIS	1,514.00	6.01%	1,605.00	5.98%	1,701.00	6.00%	1,803.00
Oopmaak van duplex graf	295.00	6.10%	313.00	6.07%	332.00	6.02%	352.00
Toemaak van duplex graf	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00
Addisionele uitgraving vir uitbou van graf			318.00	5.97%	337.00	5.93%	357.00

c) ARMLASTIGE BEGRAFNISSE

Die bepaling van toepaslike wetgewing sal geld

Enkel Graf + Kis	790.00	5.95%	837.00	5.97%	887.00	5.98%	940.00
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2 BESIKBAARHEIDSGELDE

Alle onbeboude eiendom

a) Elektriesiteit per erf - per jaar	1,662.00	6.02%	1,762.00	6.02%	1,868.00	6.00%	1,980.00
b) Riool per erf - per jaar	1,272.00	5.97%	1,348.00	6.01%	1,429.00	6.02%	1,515.00
c) Water per erf - per jaar	685.00	5.99%	726.00	6.06%	770.00	5.97%	816.00
d) Vullis per erf - per jaar	1,393.00	6.03%	1,477.00	6.03%	1,566.00	6.00%	1,660.00

Eiendom met 'n waarde, soos deur die raad bepaal, word uitgesluit van die heffing van beskikbaarheidsgelde. Verwys na die TARIEFBELEID.

3 SMOUSE

a) Geproklameerde staanplek - per finansiële jaar of gedeelte daarvan vooruitbetaalbaar	550.00	5.45%	580.00	5.17%	610.00	6.56%	650.00
b) Informele handelsentrum - per maand vooruitbetaalbaar	140.00	7.14%	150.00	6.67%	160.00	6.25%	170.00

4 FOTOSTATIESE AFDRUKKE

a) Per bladsy - A4	1.00	0.00%	1.00	0.00%	1.00	0.00%	1.00
b) Per bladsy - A3	1.50	0.00%	1.50	0.00%	1.50	0.00%	1.50

5 WOONWAPARKE & STRANDOORDE

Die seisoen word beskou as die periode 12 Desember tot 8 Januarie asook Paasnaweek

Die Volle bedrag vir bespreking vir Desember/Januarie moet teen 31 Augustus betaal wees. Spesiale versoeke sal op meriete oorweeg word.

n Verpligte nie-terugbetaalbare aansoekfooie van R170 vir alle besprekings vir seisoen besprekings is betaalbaar. Indien die aansoekfooie nie betaal is nie sal die aansoek nie oorweeg word nie

15% Korting vir pensioenarisse (uitgesluit hoë seisoen)

'n Standaard afslag van 10% word buite seisoen toegestaan aan groepbesprekings van ses of meer huisies/persone en vyf rondawels

MUNISIPALITEIT BERGRIVIER

TARIEWE

Tariewe van toepassing met ingang van eerste rekening wat gelewer word na 1 Julie tensy anders aangedui.	Tarief vanaf 1 Julie 2015
ALLE TARIEWE SLUIT B.T.W. IN	R

Tarief vanaf 1 Julie 2016 Voorlopig
R

Tarief vanaf 1 Julie 2017 Voorlopig
R

Tarief vanaf 1 Julie 2018 Voorlopig
R

Kansellasië beleid:

Nie-Arriveer - 100% van besprekingsbetaling

Kansellasië binne 7dae van aankomsdatum - 80% van bespreking/betaling

Kansellasië meer as 7dae van aankomsdatum - 50% van bespreking/betaling

Uitboek voor vertrekdatum - Geen terugbetaling (ingesluit sterftes en siektes)

A PIKETBERG

a) Die eerste ses persone van 'n gesin

Basies - per dag	102.00	5.88%	108.00	5.56%	114.00	6.14%	121.00
Krag - per dag	37.00	5.41%	39.00	5.13%	41.00	4.88%	43.00
Sleuteldeposito - per Huurder	40.00	0.00%	40.00	0.00%	40.00	0.00%	40.00

B Stywelyne Strandoord

a) Karavaan Staanplekke - per dag (6 persone)

Binne Seisoen (12 Desember tot 8 Januarie en Paasnaweek)	350.00	6.00%	371.00	5.93%	393.00	6.11%	417.00
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Buite Seisoen (1 Desember-11 Desember, 9 Januarie-31 Januarie, Februarie, Maart, April, September, Oktober, November) Uitgesonder paasnaweek

Midweek	105.00	5.71%	111.00	6.31%	118.00	5.93%	125.00
Naweke	190.00	5.79%	201.00	5.97%	213.00	6.10%	226.00

Buite Seisoen (Winter Tarief) Mei, Junie, Julie en Augustus

Midweek	70.00	7.14%	75.00	6.67%	80.00	6.25%	85.00
Naweke	95.00	5.26%	100.00	6.00%	106.00	5.66%	112.00

b) Woonstelle - per dag (6 persone)

Binne Seisoen (12 Desember tot 8 Januarie en Paasnaweek)	850.00	6.00%	901.00	5.99%	955.00	5.97%	1,012.00
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Buite Seisoen (1 Desember-11 Desember, 9 Januarie-31 Januarie, Februarie, Maart, April, September, Oktober, November) Uitgesonder paasnaweek

Midweek	450.00	6.00%	477.00	6.08%	506.00	5.93%	536.00
Naweke	600.00	6.00%	636.00	5.97%	674.00	5.93%	714.00

Buite Seisoen (Winter Tarief) Mei, Junie, Julie en Augustus

Midweek	300.00	6.00%	318.00	5.97%	337.00	5.93%	357.00
Naweke	350.00	6.00%	371.00	5.93%	393.00	6.11%	417.00

c) Luukse Huisies - per dag (6 persone)

Binne Seisoen (12 Desember tot 8 Januarie en Paasnaweek)	1,005.00	5.97%	1,065.00	6.01%	1,129.00	6.02%	1,197.00
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Buite Seisoen (1 Desember-11 Desember, 9 Januarie-31 Januarie, Februarie, Maart, April, September, Oktober, November) Uitgesonder paasnaweek

Midweek	750.00	6.00%	795.00	6.04%	843.00	6.05%	894.00
Naweke	900.00	6.00%	954.00	5.97%	1,011.00	6.03%	1,072.00

Buite Seisoen (Winter Tarief) Mei, Junie, Julie en Augustus

Midweek	350.00	6.00%	371.00	5.93%	393.00	6.11%	417.00
Naweke	500.00	6.00%	530.00	6.04%	562.00	6.05%	596.00

d) Stoor van Woonwaens vooruitbetaalbaar - per jaar	NVT		NVT		NVT		NVT
e) Addisionele Voertuig - per dag (Slegs Buite Seisoen)	50.00	10.00%	55.00	5.45%	58.00	5.17%	61.00

f) Addisionele Persoon (Besoekekers) - per dag							
Binne Seisoen							
Huisies	65.00	7.69%	70.00	5.71%	74.00	5.41%	78.00
Buite Seisoen							
Huisies	35.00	5.71%	37.00	5.41%	39.00	5.13%	41.00
Binne Seisoen							
Staanplekke	65.00	7.69%	70.00	5.71%	74.00	5.41%	78.00
Buite Seisoen							
Staanplekke	35.00	5.71%	37.00	5.41%	39.00	5.13%	41.00
Addisionele Besoekekers - (kinders o/12) per dag							
Binne, Buite en Somer Vakansie Seisoen	30.00	6.67%	32.00	6.25%	34.00	5.88%	36.00

g) Dagkampering							
Dagkampeerders / Besoekekers - insluitend swembadfooi	35.00	5.71%	37.00	5.41%	39.00	5.13%	41.00
Motorvoertuie & sleepwaens (Slegs binne seisoen)	n/a	#VALUE!	n/a		n/a		n/a
Busse / Vragmotors	n/a		n/a		n/a		n/a

h) Permanente Inwoners							
Persele met eie Elektrisiteit - per maand	618.00	5.99%	655.00	5.95%	694.00	6.05%	736.00
Persele sonder eie Elektrisiteit - per maand	825.00	6.06%	875.00	6.06%	928.00	6.03%	984.00

MUNISIPALITEIT BERGRIVIER

TARIEWE

Tariewe van toepassing met ingang van eerste rekening wat gelewer word na 1 Julie tensy anders aangedui.	Tarief vanaf 1 Julie 2015	Tarief vanaf 1 Julie 2016 Voorlopig	Tarief vanaf 1 Julie 2017 Voorlopig	Tarief vanaf 1 Julie 2018 Voorlopig
ALLE TARIEWE SLUIT B.T.W. IN	R	R	R	R

C Dwarskersbos Strandoord

a) Karavaan Staanplekke - per dag (6 persone)

Binne Seisoen (12 Desember tot 8 Januarie en Paasnaweek)	380.00	6.05%	403.00	5.96%	427.00	6.09%	453.00
Buite Seisoen (1 Desember-11 Desember, 9 Januarie-31 Januarie, Februarie, Maart, April, September, Oktober, November) Uitgesonder paasnaweek							
Midweek	105.00	5.71%	111.00	6.31%	118.00	5.93%	125.00
Naweke	190.00	5.79%	201.00	5.97%	213.00	6.10%	226.00
Buite Seisoen (Winter Tarief) Mei, Junie, Julie en Augustus							
Midweek	70.00	7.14%	75.00	6.67%	80.00	6.25%	85.00
Naweke	95.00	5.26%	100.00	6.00%	106.00	5.66%	112.00

b) Rondawels - per dag (6 persone)

Binne Seisoen (12 Desember tot 8 Januarie en Paasnaweek)	600.00	6.00%	636.00	5.97%	674.00	5.93%	714.00
Buite Seisoen (1 Desember-11 Desember, 9 Januarie-31 Januarie, Februarie, Maart, April, September, Oktober, November) Uitgesonder paasnaweek							
Midweek	400.00	6.00%	424.00	5.90%	449.00	6.01%	476.00
Naweke	450.00	6.00%	477.00	6.08%	506.00	5.93%	536.00
Buite Seisoen (Winter Tarief) Mei, Junie, Julie en Augustus							
Midweek	200.00	6.00%	212.00	6.13%	225.00	6.22%	239.00
Naweke	250.00	6.00%	265.00	6.04%	281.00	6.05%	298.00

c) Woonstelle - per dag (6 persone)

Binne Seisoen (12 Desember tot 8 Januarie en Paasnaweek)	850.00	6.00%	901.00	5.99%	955.00	5.97%	1,012.00
Buite Seisoen (1 Desember-11 Desember, 9 Januarie-31 Januarie, Februarie, Maart, April, September, Oktober, November) Uitgesonder paasnaweek							
Midweek	450.00	6.00%	477.00	6.08%	506.00	5.93%	536.00
Naweke	600.00	6.00%	636.00	5.97%	674.00	5.93%	714.00
Buite Seisoen (Winter Tarief) Mei, Junie, Julie en Augustus							
Midweek	250.00	6.00%	265.00	6.04%	281.00	6.05%	298.00
Naweke	400.00	6.00%	424.00	5.90%	449.00	6.01%	476.00

d) Addisionele Voertuig - per dag (Slegs Buite Seisoen)

	50.00	10.00%	55.00	5.45%	58.00	5.17%	61.00
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e) Addisionele Persoon meer as toelaatbaar - per dag

Binne Seisoen							
Huisies	65.00	7.69%	70.00	5.71%	74.00	5.41%	78.00
Buite Seisoen							
Huisies	35.00	5.71%	37.00	5.41%	39.00	5.13%	41.00
Binne Seisoen							
Staanplekke	65.00	7.69%	70.00	5.71%	74.00	5.41%	78.00
Buite Seisoen							
Staanplekke	35.00	5.71%	37.00	5.41%	39.00	5.13%	41.00
Addisionele Besoekers - (kinders o/12) per dag							
Binne, Buite en Somer Vakansie Seisoen	30.00	6.67%	32.00	6.25%	34.00	5.88%	36.00

f) Dagkampering

Dagkampeerders / Besoekers - insluitend swembadfooi	35.00	5.71%	37.00	5.41%	39.00	5.13%	41.00
Motorvoertuie & sleepwaens (Slegs binne seisoen)	n/a		n/a		n/a		n/a
Busse / Vragmotors	Nie Toegelaat		Nie Toegelaat		Nie Toegelaat		Nie Toegelaat

g) Saal

Deposito	700.00	6.00%	742.00	6.47%	790.00	6.33%	840.00
Huur	950.00	5.05%	998.00	6.01%	1,058.00	5.95%	1,121.00
Skoolgroepe - per kop	20.00	5.00%	21.00	4.76%	22.00	4.55%	23.00

h) Sleuteldeposito's

Alle wooneenhede	300.00	6.67%	320.00	6.25%	340.00	5.88%	360.00
Tag - kampeerstaanplekke (uitgesluit binne seisoen)	200.00	6.00%	212.00	3.77%	220.00	4.55%	230.00

6 SWEMBADDENS

a) Persone onder die ouderdom van 18 jaar	5.00	0.00%	5.00	0.00%	5.00	0.00%	5.00
b) Persone bo die ouderdom van 18 jaar	5.00	0.00%	5.00	0.00%	5.00	0.00%	5.00

MUNISIPALITEIT BERGRIVIER TARIEWE

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ALLE TARIEWE SLUIT B.T.W. IN	R	R	R	R

7 PLANFOOIE

a) Minimum fooi van toepassing op enige plan	258.00	5.81%	273.00	5.86%	289.00	5.88%	306.00
b) Per vierkante meter	17.00	5.88%	18.00	5.56%	19.00	5.26%	20.00
c) Bouersdeposito	739.00	5.95%	783.00	6.00%	830.00	6.02%	880.00
d) Tydelike Strukture	15.00	0.00%	15.00	0.00%	15.00	0.00%	15.00
e) Bou sonder goedgekeurde planne per vierkante meter	85.00	5.88%	90.00	5.56%	95.00	5.26%	100.00
f) Skure motorhuise en afdakke	10.00	10.00%	11.00	9.09%	12.00	8.33%	13.00

8 TOETS VAN METERS

Per toets, indien die meter foutief is, sal die bedrag op die persoon se rekening gekrediteur word, indien nie, word die bedrag verbeur	253.00	5.93%	268.00	5.97%	284.00	5.99%	301.00
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9 DIENSTE DEPOSITO'S

a) Huishoudelik							
Vooruitbetaalde Elektrisiteit, Water, Riool, Vullisverwydering	873.00	5.96%	925.00	6.05%	981.00	6.01%	1,040.00
Konvensionele Elektrisiteit, Water, Riool, Vullisverwydering	1,365.00	6.01%	1,447.00	6.01%	1,534.00	6.00%	1,626.00
b) Besighede							
Elektrisiteit, Water, Riool, Vullisverwydering. Die bedrag sal aangepas word om 1 maand se gemiddelde rekening (Bereken op die voorafgaande 6 maande) te dek na wanbetaling die eerste keer voorkom. Bankwaarborges kan in die plek van 'n deposito ingedien word.	1,365.00	6.01%	1,447.00	6.01%	1,534.00	6.00%	1,626.00
c) Laekoste behuising/Hulpbehoewende/Staatsouderdomspensioenarisse.							
Betaalbaar by betrekking van die huis of nadat wanbetaling die eerste keer voorkom.	324.00	5.86%	343.00	6.12%	364.00	6.04%	386.00

10 Administratiewe Dokumentasie

Per gedrukte lyn

a) Finansiële state (Aan publiek)	72.00	5.56%	76.00	6.58%	81.00	6.17%	86.00
b) Begrotings (Aan publiek)	128.00	6.25%	136.00	5.88%	144.00	6.25%	153.00
c) Agendas	91.00	5.49%	96.00	6.25%	102.00	5.88%	108.00
d) Notule	55.00	5.45%	58.00	5.17%	61.00	6.56%	65.00

11 OPENBARE OOP TERREINE

a) Per dag per perseel	1,000.00	0.00%	1,000.00	0.00%	1,000.00	0.00%	1,000.00
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12 INLIGTINGCERTIFIKATE

a) Per sertifikaat (Waardasie,Uitklaring,Sonering ens)	114.00	6.14%	121.00	5.79%	128.00	6.25%	136.00
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13 GEMEENSKAP - EN ANDER SALE

(Aansoek om GRATIS gebruik van enige saal moet aan die MUNISIPALE BESTUURDER gerig word, waarna dit op meriete oorweeg sal word. Die bespreking van die saal moet dan ook self gedoen word.)

Die Gemeenskapsale word nie uitverhuur/beskikbaar gestel vir individue wat fondsinsamelings/danse en/of opvoerings aanbied vir eie gewin nie.

A GEMEENSKAPSALE

i) Enige geleentheid waarvoor enige vorm van toegang gevra word.

Huur	295.00	6.10%	313.00	6.07%	332.00	6.02%	352.00
Deposito	545.00	6.06%	578.00	6.06%	613.00	6.04%	650.00
Kombuis - huur	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00

ii) Enige geleentheid waarvoor geen vorm van toegang gevra word nie.

Huur	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00
Deposito	289.00	5.88%	306.00	5.88%	324.00	5.86%	343.00
Kombuis - huur	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00

MUNISIPALITEIT BERGRIVIER

TARIEWE

Tariewe van toepassing met ingang van eerste rekening wat gelewer word na 1 Julie tensy anders aangedui.	Tarief vanaf 1 Julie 2015
ALLE TARIEWE SLUIT B.T.W. IN	R

Tarief vanaf 1 Julie 2016 Voorlopig
R

Tarief vanaf 1 Julie 2017 Voorlopig
R

Tarief vanaf 1 Julie 2018 Voorlopig
R

B BIBLIOTEEKSALE (Maksimum 100 persone)

i) Slegs geleenthede waarvoor geen vorm van toegang gevra word.

Huur	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00
Deposito	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00
Hoof Kombuis (Breekgoed ingesluit)	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00

C STADSAAL

i) Enige geleentheid

Huur	1,447.00	6.01%	1,534.00	6.00%	1,626.00	6.03%	1,724.00
Deposito	683.00	6.00%	724.00	5.94%	767.00	6.00%	813.00

14 SKUTGELDE

a) Voertuie per dag - (plus insleepkoste)	111.00	6.31%	118.00	5.93%	125.00	6.40%	133.00
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15 PLAKKATE

a) Algemene plakkaat Deposito Per Dorp	424.00	5.90%	449.00	6.01%	476.00	6.09%	505.00
b) Verkiessingsplakkaat Deposito vir Bergrivier	1,060.00	6.04%	1,124.00	5.96%	1,191.00	5.96%	1,262.00

16 DIVERSE HEFFINGS

a) Tjeks deur bank geweier - per tjek	210.00	6.19%	223.00	5.83%	236.00	5.93%	250.00
(Indien tjek 3 x binne 6 maande geweier, word slegs kontant vir 6 maande aanvaar tensy met Tesourier anders gereël)							
b) Koste vir ontvangs van buitelandse betalings							
c) Peuter met enige munisipale diensmeter uitgesluit koste van nuwe meter.	3,500.00	0.00%	3,500.00	0.00%	3,500.00	0.00%	3,500.00

17 VERKEER

a) Diening van Prosesstukke	200.00	0.00%	200.00	0.00%	200.00	0.00%	200.00
b) Uitvoering van lasbrief	200.00	0.00%	200.00	0.00%	200.00	0.00%	200.00

18 WATER

Basiese Heffing per maand	44.00	6.82%	47.00	6.38%	50.00	6.00%	53.00
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Alle Dorpe

a) Alle verbruiker behalwe die genoem in b) per kl hieronder

0 - 6	6.20	5.98%	6.57	6.06%	6.97	6.03%	7.39
7 - 20	12.50	6.02%	13.25	6.04%	14.05	5.98%	14.89
21 - 50	12.50	6.02%	13.25	6.04%	14.05	5.98%	14.89
51 - 100	14.39	5.96%	15.25	6.01%	16.17	6.00%	17.14
101 - 200	15.12	6.03%	16.03	6.01%	16.99	6.00%	18.01
201 - 1000	15.91	6.00%	16.86	6.02%	17.88	5.98%	18.95
1000 - 1500	13.52	6.04%	14.33	5.99%	15.19	5.99%	16.10
1501 - 2000	11.48	6.00%	12.17	6.01%	12.90	5.97%	13.67
2000 +	9.72	6.00%	10.30	5.99%	10.92	6.04%	11.58

Bogenoemde tariewe is gebaseer op besparingsmaatreels van 20%. Indien hierdie maatreels verder verhoog sal bogenoemde tariewe met 2.5% verhoog vir elke 5% waarmee die besparingsmaatreels verhoog word.

b) Ander Verbruikers

Sportklubs : Skole : Welsynsorganisasies	6.00	0.00%	6.00	6.00%	6.36	5.97%	6.74
Munisipale verbruik	6.00	0.00%	6.00	6.00%	6.36	5.97%	6.74
Verbruikers buite voormalige munisipale gebied (Uitgesluit vervoer en personeelkoste)	6.00	0.00%	6.00	6.00%	6.36	5.97%	6.74

Aansluiting

Nuwe aansluiting	2,523.00	5.98%	2,674.00	6.00%	2,834.44	6.00%	3,004.51
Verandering van 15mm na 20 mm	1,280.00	6.02%	1,357.00	6.00%	1,438.42	6.00%	1,524.73

MUNISIPALITEIT BERGRIVIER

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ALLE TARIEWE SLUIT B.T.W. IN	R

Tarief vanaf 1 Julie 2016 Voorlopig
R

Tarief vanaf 1 Julie 2017 Voorlopig
R

Tarief vanaf 1 Julie 2018 Voorlopig
R

19 RIOOL

A Spoelriool

Alle Dorpe

Standaardheffing per aansluiting/wooneenheid (insluitende woonstel, deeltitel, tyddeeleenheid) wat ookal die meeste per maand.	134.00	5.97%	142.00	6.00%	150.52	6.00%	159.55
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B Suig van Septiese Tenke (Binne voormalige munisipale gebiede)

Velddrif

a) Gedurende werksure - Ma tot Vr 08h00 tot 16h30 - per vrag (Maksimum 7 Kl)	308.00	5.84%	326.00	6.00%	345.56	6.00%	366.29
b) Buite werksure - Ma tot Sat 08h00 tot 16h30 - per vrag (Maksimum 7 Kl)	505.00	5.94%	535.00	6.00%	567.10	6.00%	601.13
c) Sondae & Openbare Vakansiedae - per vrag (Maksimum 7 Kl)	886.00	5.98%	939.00	6.00%	995.34	6.00%	1,055.06

Eendekuil

Slegs gedurende werksure - per vrag (Maks 1 Hef per eiendom per maand)	129.00	6.20%	137.00	6.00%	145.22	6.00%	153.93
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Aurora

Slegs gedurende werksure - per vrag	129.00	6.20%	137.00	6.00%	145.22	6.00%	153.93
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C Suig van Septiese Tenke (Buite voormalige munisipale gebiede)

a) Buite Munisipale gebied binne werksure - per vrag +	505.00	5.94%	535.00	6.00%	567.10	6.00%	601.13
b) Buite Munisipale gebied buite werksure - per vrag + p	1,145.00	6.03%	1,214.00	6.00%	1,286.84	6.00%	1,364.05
c) Buite Minisipale gebied Sondae & Openbare Vakansiedae - per vrag + per km	1,772.00	5.98%	1,878.00	6.00%	1,990.68	6.00%	2,110.12
d) Buite voormalige dorpsgrense per km vanaf riolsuiweringswerke	7.00	0.00%	7.00	6.00%	7.42	6.06%	7.87

D Aansluiting

Nuwe aansluiting selfde kant van straat	763.00	6.03%	809.00	6.06%	858.00	5.94%	909.00
Nuwe aansluiting oorkant van straat	1,526.00	6.03%	1,618.00	6.00%	1,715.00	6.01%	1,818.00

20 VULLISVERWYDERING

'n Pak met 25 sakke in word een maal elke ses maande gratis verskaf aan elke huishouding. Dit sal die bewoner / eienaar se verantwoordelikheid wees om te verseker dat hy/sy dit wel ontvang het.

a) Huishoudelik

Verwydering 1 maal per week - per maand	180.00	6.11%	191.00	5.76%	202.00	5.94%	214.00
Goedverwacht/Wittewater	Werklike Koste		Werklike Koste		Werklike Koste		Werklike Koste

b) Besighede

Die huishoudelike tarief is ook op alle besighede van toepassing as 'n maandelikse minimum diens vir die verwydering van 2 sakke een maal per week. Enige addisionele verwyderings sal soos hieronder aangedui gehet word.

Per vrag of gedeelte daarvan gedurende werksure (Na ure werklike koste)	628.00	6.05%	666.00	6.01%	706.00	5.95%	748.00
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c) Tuinvullis

Per vrag of gedeelte daarvan	160.00	6.25%	170.00	5.88%	180.00	6.11%	191.00
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d) Vullissakke

per pak van 25	37.00	5.41%	39.00	5.13%	41.00	4.88%	43.00
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e) Bourommel

Per vrag of gedeelte daarvan	332.00	6.02%	352.00	5.97%	373.00	5.90%	395.00
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MUNISIPALITEIT BERGRIVIER

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ALLE TARIEWE SLUIT B.T.W. IN	R	R	R	R

f) Storting van vullis by Beheerde Oorlaaistassies

Huishoudelik van buite dorpsgebied (3 sakke)	53.00	5.66%	56.00	5.36%	59.00	6.78%	63.00
Bakkie (0.5 ton - 1 ton)	99.00	6.06%	105.00	5.71%	111.00	6.31%	118.00
Vragmotor (1 - 3 ton) half vrag	147.00	6.12%	156.00	5.77%	165.00	6.06%	175.00
Vragmotor (1 - 3 ton) vol vrag	296.00	6.08%	314.00	6.05%	333.00	6.01%	353.00
Vragmotor (3 - 5 ton) half vrag	296.00	6.08%	314.00	6.05%	333.00	6.01%	353.00
Vragmotor (3 - 5 ton) vol vrag	492.00	6.10%	522.00	5.94%	553.00	5.97%	586.00
Vragmotor (5 - 10 ton) half vrag	492.00	6.10%	522.00	5.94%	553.00	5.97%	586.00
Vragmotor (5 - 10 ton) vol vrag	985.00	5.99%	1,044.00	6.03%	1,107.00	5.96%	1,173.00

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Eiendomsbelasting

Eiendomsbelasting is van toepassing op die totale markwaarde van Eiendom soos dit voorkom op die Raad se waardasierol 2012.

Algemene koers van toepassing op alle eiendom uitgesluit die hieronder aangedui	0.00974	5.94%	0.01032	6.00%	0.01094	6.00%	0.01160
Eiendom aangedui met gebruik as LANDBOU in die waardasierol	0.00244	5.91%	0.00258	6.01%	0.00274	6.00%	0.00290
Eiendom aangedui met gebruik as KOMMERSIEËL in die waardasierol	0.01072	5.94%	0.01135	6.00%	0.01203	6.00%	0.01276
Eiendom aangedui met gebruik as INDUSTRIEËL in die waardasierol	0.01072	5.94%	0.01135	6.00%	0.01203	6.00%	0.01276

Kortings

In terme van die Raad se Belastingbeleid word die volgende kortings, onderhewig aan aansoek en goedkeuring soos in die beleid vervat, toegestaan.

Residensiële eiendom. (Artikel 16(1) en 17(1) van Wet 6 van 2004) eerste bedrag van waarde vrygestel	20,000.00	20,000.00	20,000.00	20,000.00
Munisipale eiendom (Behalwe eiendom verhuur deur die munisipaliteit)	100%	100%	100%	100%
Institusionele Eiendom	per aansoek goedgekeur 50%	per aansoek goedgekeur 50%	per aansoek goedgekeur 50%	per aansoek goedgekeur 50%
Pensionarisse : Eienaar wat jaarliks voor 30 Junie bewys kan lewer dat hy/sy 'n STAATSOUDERDOMSPENSIOEN ontvang.	per aansoek goedgekeur 50%	per aansoek goedgekeur 50%	per aansoek goedgekeur 50%	per aansoek goedgekeur 50%
Liefdadigheidsorganisasies, Sportorganisasies, Landbougenootskappe, Hospitale, Begraafplase ens.	per aansoek goedgekeur 100%	per aansoek goedgekeur 100%	per aansoek goedgekeur 100%	per aansoek goedgekeur 100%
Landbou gebruik- Korting t.o.v. Huisvesting, voorsiening van riool, elektrisiteit, water, vullis, sport, vervoer en opleiding soos vervat in Eiendomsbelastingbeleid met die voldoening aan voorwaardes	per aansoek goedgekeur tot 'n maksimum van 85% van residensiële koers (Verhouding 1:0.15)	per aansoek goedgekeur tot 'n maksimum van 85% van residensiële koers (Verhouding 1:0.15)	per aansoek goedgekeur tot 'n maksimum van 85% van residensiële koers (Verhouding 1:0.15)	per aansoek goedgekeur tot 'n maksimum van 85% van residensiële koers (Verhouding 1:0.15)

22

DEPARTEMENTELE DIENSTE

Riool	106.00	5.66%	112.00	6.25%	119.00	5.88%	126.00
Vullisverwydering	144.00	6.25%	153.00	5.88%	162.00	6.17%	172.00

23

BRANDWEERGELDE

Blus van brand by geboue - per uur	2277.00	6.02%	2414.00	6.01%	2559.00	6.02%	2713.00
Blus van veld en ander brande - per uur	676.00	6.07%	717.00	6.00%	760.00	6.05%	806.00

MUNISIPALITEIT BERGRIVIER

TARIEWE

Tariewe van toepassing met ingang van eerste rekening wat gelewer word na 1 Julie tensy anders aangedui.	Tarief vanaf 1 Julie 2015	Tarief vanaf 1 Julie 2016 Voorlopig	Tarief vanaf 1 Julie 2017 Voorlopig	Tarief vanaf 1 Julie 2018 Voorlopig
ALLE TARIEWE SLUIT B.T.W. IN	R	R	R	R

24 GRONDGEBRUIKSBEPLANNING

Onderstaande tariewe sluit advertensies / aansoekfooi / kennisgewings / posgeld in per aansoek. By gekombineerde aansoeke is die advertensie en kennisgewing kostes slegs eenmalig betaalbaar. By gekombineerde aansoeke sal die mees omvattende aansoek prosedure gevolg word en is die tariewe ooreenkomstig betaalbaar. Geen tariewe is terugbetaalbaar nie. **Staatsgefinansierde behuisingsareas betaal slegs 50% van die tarief.**

Vergunningsgebruike; Hersonerig; Afwyking (tydelike grondgebruik); Wysiging van Voorwaardes; Wysiging van Terrein Ontwikkelingsplanne; Wysiging van Onderverdelingsplanne; Opheffing van Beperkings

- a) Aansoek
Advertensie
Kennisgewing
Afwyking (Verander Grondgebruiksbeperkings); Konsolidasie van Eiendomme; Grenswysigings;
b) Goedkeuring van Huiseienaarsvereniging Grondwet; Wysiging van Huiseienaarsvereniging Grondwet; Goedkeuring van Argitektoniese Riglyne; Wysiging van Argitektoniese Riglyne

Aansoek	1,000.00	0.00%	1,000.00	0.00%	1,000.00	0.00%	1,000.00
Advertensie	3,750.00	0.00%	3,750.00	0.00%	3,750.00	0.00%	3,750.00
Kennisgewing	250.00	0.00%	250.00	0.00%	250.00	0.00%	250.00
Afwyking (Verander Grondgebruiksbeperkings); Konsolidasie van Eiendomme; Grenswysigings;							
Goedkeuring van Huiseienaarsvereniging Grondwet; Wysiging van Huiseienaarsvereniging Grondwet; Goedkeuring van Argitektoniese Riglyne; Wysiging van Argitektoniese Riglyne							
Aansoek	1,000.00	0.00%	1,000.00	0.00%	1,000.00	0.00%	1,000.00
Kennisgewing	250.00	0.00%	250.00	0.00%	250.00	0.00%	250.00
c) Onderverdelings:							
In 2 erwe							
Aansoek	1,000.00	0.00%	1,000.00	0.00%	1,000.00	0.00%	1,000.00
Kennisgewing	250.00	0.00%	250.00	0.00%	250.00	0.00%	250.00
Vanaf 3 - 10 erwe							
Aansoek	1,000.00	0.00%	1,000.00	0.00%	1,000.00	0.00%	1,000.00
Advertensie	3,750.00	0.00%	3,750.00	0.00%	3,750.00	0.00%	3,750.00
Kennisgewing	250.00	0.00%	250.00	0.00%	250.00	0.00%	250.00
Meer as 10 erwe							
Aansoek	1,000.00	0.00%	1,000.00	0.00%	1,000.00	0.00%	1,000.00
Advertensie	3,750.00	0.00%	3,750.00	0.00%	3,750.00	0.00%	3,750.00
Kennisgewing	250.00	0.00%	250.00	0.00%	250.00	0.00%	250.00
PLUS: Per erf meer as 10	50.00	0.00%	50.00	0.00%	50.00	0.00%	50.00

25 DIENSTE BYDRAE (Dorpstigting, Onderverdeling ens)

a) Tot en met 5 erwe/eenhede - per erf/eenheid + WDM Heffings (Item c)	16,027.00	6.00%	16,989.00	6.00%	18,008.00	6.00%	19,088.00
b) Meer as 5 erwe soos per diensteooreenkoms + WDM Heffing (Item c)	Ooreenkoms		Ooreenkoms		Ooreenkoms		Ooreenkoms
c) Weskus DM Water Bydrae (Gebiede wat water ontvang vanaf Withoogte waterskema)	Soos deur WDM bepaal		Soos deur WDM bepaal		Soos deur WDM bepaal		Soos deur WDM bepaal

26 Raadsfasiliteite

Aansoek om GRATIS gebruik van enige fasiliteite van die Raad moet aan die MUNISIPALE BESTUURDER gerig word, waarna dit op meriete oorweeg en goedkeur word. Die bespreking daarvan moet dan ook deur die munisipale bestuurder gedoen word.

MUNISIPALITEIT BERGRIVIER

TARIEWE

Tariewe van toepassing met ingang van eerste rekening wat gelewer word na 1 Julie tensy anders aangedui.	Tarief vanaf 1 Julie 2015	Tarief vanaf 1 Julie 2016 Voorlopig	Tarief vanaf 1 Julie 2017 Voorlopig	Tarief vanaf 1 Julie 2018 Voorlopig
ALLE TARIEWE SLUIT B.T.W. IN	R	R	R	R

27

Elektrisiteit

BASIESE HEFFING	1.15						
B3 - KVA Aansluitings	1,767.00	8.00%	1,908.36	6.00%	2,022.86	6.00%	2,144.23
Aanvraag							
Lewenslyn : (Maksimum van tot 20 amp aansluiting)							
A1 - Enkelfase aansluiting hoer as 20 amp	188.84	8.00%	203.95	6.00%	216.19	6.00%	229.16
A3 - Driefase aansluiting	675.70	8.00%	729.76	6.00%	773.55	6.00%	819.96
D3 - KVA aansluiting per KVA	191.79	8.00%	207.13	6.00%	219.56	6.00%	232.73
Verbruik Konfensioneel							
1P CONS SINGLE PHASE							
0 - 50 kwh	0.90	7.71%	0.97	6.00%	1.03	6.00%	1.09
51 - 350 kwh	1.14	7.89%	1.23	6.00%	1.30	6.00%	1.38
351 - 600 kwh	1.32	8.14%	1.43	6.00%	1.52	6.00%	1.61
601 +	1.45	7.75%	1.56	6.00%	1.65	6.00%	1.75
3P CONS THREE PHASE							
50.000000 kW	1.44	7.51%	1.55	6.00%	1.64	6.00%	1.74
350.000000 kW	1.44	7.51%	1.55	6.00%	1.64	6.00%	1.74
600.000000 kW	1.44	7.51%	1.55	6.00%	1.64	6.00%	1.74
> 600	1.44	7.51%	1.55	6.00%	1.64	6.00%	1.74
KV CONSUMPTION KVA							
50.000000 kW	1.00	8.56%	1.08	6.00%	1.15	6.00%	1.22
350.000000 kW	1.00	8.56%	1.08	6.00%	1.15	6.00%	1.22
600.000000 kW	1.00	8.56%	1.08	6.00%	1.15	6.00%	1.22
> 600	1.00	8.56%	1.08	6.00%	1.15	6.00%	1.22
LL CONS LIFE LINE							
50.000000 kW	0.90	7.93%	0.97	6.00%	1.03	6.00%	1.09
350.000000 kW	1.06	7.98%	1.14	6.00%	1.21	6.00%	1.29
600.000000 kW	1.14	8.31%	1.23	6.00%	1.31	6.00%	1.38
> 600	1.32	8.40%	1.43	6.00%	1.51	6.00%	1.60
MU CONSUMPTION MUN							
50.000000 kW	0.88	8.56%	0.95	6.00%	1.01	6.00%	1.07
350.000000 kW	0.88	8.56%	0.95	6.00%	1.01	6.00%	1.07
600.000000 kW	0.88	8.56%	0.95	6.00%	1.01	6.00%	1.07
> 600	0.88	8.56%	0.95	6.00%	1.01	6.00%	1.07
Verbruik - PRE PAID							
Enkelfase							
50.000000 kW	0.90	13.47%	1.02	6.00%	1.08	6.00%	1.15
350.000000 kW	1.14	12.32%	1.28	6.00%	1.36	6.00%	1.44
600.000000 kW	1.58	8.55%	1.71	6.00%	1.81	6.00%	1.92
> 600	1.85	8.54%	2.01	6.00%	2.13	6.00%	2.25
Life Line							
50.000000 kW	0.90	16.14%	1.05	6.00%	1.11	6.00%	1.18
350.000000 kW	1.06	9.16%	1.16	6.00%	1.23	6.00%	1.30
600.000000 kW	1.13	8.89%	1.23	6.00%	1.31	6.00%	1.38
> 600	1.32	8.86%	1.44	6.00%	1.53	6.00%	1.62
Driefase							
50.000000 kW	1.60	9.54%	1.75	6.00%	1.85	6.00%	1.96
350.000000 kW	1.60	9.54%	1.75	6.00%	1.85	6.00%	1.96
600.000000 kW	1.60	9.54%	1.75	6.00%	1.85	6.00%	1.96
> 600	1.60	9.54%	1.75	6.00%	1.85	6.00%	1.96

MUNISIPALITEIT BERGRIVIER

TARIEWE

Tariewe van toepassing met ingang van eerste rekening wat gelewer word na 1 Julie tensy anders aangedui.	Tarief vanaf 1 Julie 2015
ALLE TARIEWE SLUIT B.T.W. IN	R

Tarief vanaf 1 Julie 2016 Voorlopig
R

Tarief vanaf 1 Julie 2017 Voorlopig
R

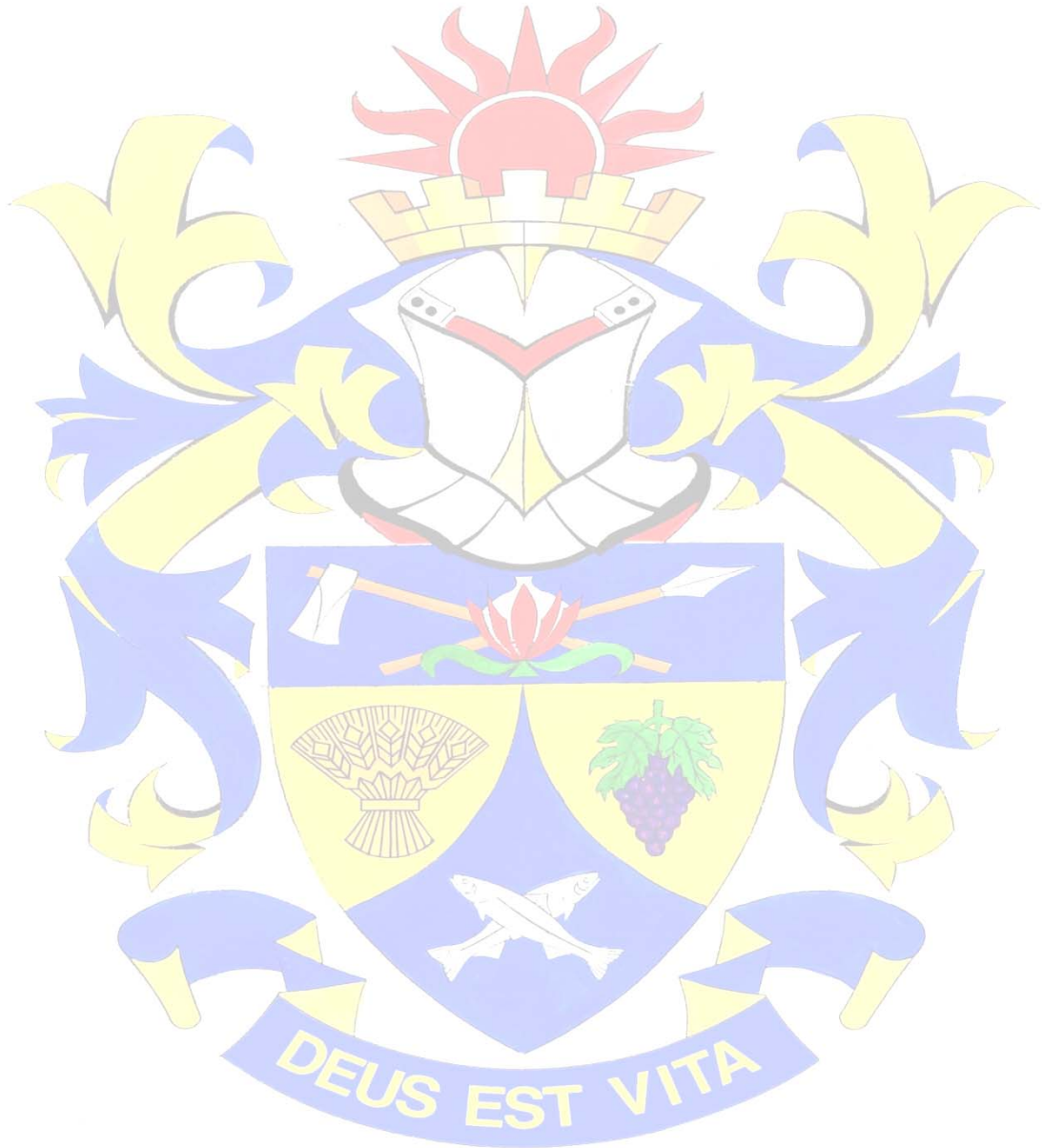
Tarief vanaf 1 Julie 2018 Voorlopig
R

Aansluitings en Ander Tariewe

Enkelfase	4,820.00	6.00%	5,109.00	6.01%	5,416.00	6.00%	5,741.00
Drie Fase	9,384.00	6.00%	9,947.00	6.00%	10,544.00	6.00%	11,177.00
Enkelfase - Verander na Vooruitbetaalde	1,169.00	5.99%	1,239.00	5.97%	1,313.00	6.02%	1,392.00
Drie Fase - Verander na Vooruitbetaalde	4,820.00	6.00%	5,109.00	6.01%	5,416.00	6.00%	5,741.00
Heraansluiting (Waar dienste weens wanbetaling gestaak is uitgesluit)	102.00	5.88%	108.00	5.56%	114.00	6.14%	121.00
Verandering van aansluiting (Amps)	Breaker +R100		Breaker +R100		Breaker +R100		Breaker +R100
Tydlike aansluiting hoogstens vir 3 maande (Boupersele)	1,265.00	6.01%	1,341.00	5.97%	1,421.00	5.98%	1,506.00
Huur verdeelkas per dag	259.00	6.18%	275.00	6.18%	292.00	6.16%	310.00

BERGRIVIER

Munisipaliteit / Municipality



BATEBESTUURSBELEID

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1. INLEIDING

Hierdie beleid, vir die bestuur van bates, is ontwerp om die bestuur en amptenare van die Bergrivier Munisipaliteit by te staan met die beskrywing van bestuursprosedures vir Eiendom, Aanleg en Toerusting, Beleggingseiendom, Erfenis Bates en Ontasbare Bates. Dit is ook bedoel om te onderskei tussen aktiwiteite wat aanvaarbaar is in terme van algemene goedkeuring, toesighoudende verantwoordelikhede en limiete van gesag oor die bestuur van bates en funksies van die organisasie.

Die beleid verskaf sekerheid oor die hantering van bate bestuur wat onderneem word binne die organisasie en sal verseker dat bestuur en amptenare hulle verskeie pligte en verantwoordelikhede verstaan.

Vir die doeleindes van hierdie beleid, sluit bates voorraad en monitêre bates soos debiteure uit.

Hierdie beleid vervang alle bate bestuursprosedures/instruksies en memoranda wat voorheen uitgereik is.

Nie-nakoming van hierdie beleid sal die instelling van disziplinêre prosedures, in terme van die Menslike Hulpbron beleid en prosedures van die Munisipaliteit, tot gevolg hê.

2. DOELWIT

Die doelwit van hierdie beleid is om te verseker dat bates van die Munisipaliteit behoorlik bestuur en van rekenskap gegee word deur:

- Die akkurate teboekstelling van essensiële bate inligting;
- Die akkurate teboekstelling van bate bewegings;
- Streng fisiese beheer oor alle bates uit te oefen;
- Bates korrek te hanteer in die Munisipaliteit se finansiële state;
- Akkurate en betekenisvolle bestuursinligting te verskaf;
- Nakoming van die Raad se rekeningkundige beleide en Algemeen Erkende Rekeningkundige Praktyk;
- Voldoende versekering van bates;
- Voldoende onderhoud van die Raad se bates;
- Te verseker dat bestuurders bewus is van hulle verantwoordelikhede met betrekking tot die bates; en
- Standaarde van bestuur uiteen te sit, boekstawing en interne kontroles om bates te beskerm teen onbehoorlike gebruik of verlies ingestel word.

3. STATUTÊRE RAAMWERK

Die statutêre raamwerk vir hierdie beleid is:

- Die Grondwet van die Republiek van Suid Afrika, Wet 108 van 1996;
- Plaaslike Owerheid: Wet op Munisipale Strukture, No 117 van 1998;
- Plaaslike Owerheid: Munisipale Stelselswet, No 32 van 2000;
- Plaaslike Owerheid: Munisipale Finansiële Bestuurswet, No. 56 van 2003;
- Regulasie No. 31346 van 2008;

- Munisipale Voorsieningskanaal Bestuurs Regulasies No. 27636;
- Algemeen Erkende Rekeningkundige Praktyk.

4. REKENINGKUNDIGE STANDAARDE

Hierdie dokument verteenwoordig 'n beleid formulering en sal nie voorrang geniet bo die standaard gespesifiseer deur die Raad van Rekeningkundige Standaarde nie. Die relevante rekeningkundige standaard sluit in:

- GRAP 1 – Uiteensetting van Finansiële State;
- GRAP 13 – Hure;
- GRAP 16 – Beleggingseiendom;
- GRAP 17 – Eiendom, Aanleg en Toerusting;
- GRAP 21 – Permanente Waardedaling van Nie-Kontantgenerende Bates;
- GRAP 26 – Permanente Waardedaling van Kontantgenerende Bates;
- GRAP 31 – Ontasbare Bates;
- GRAP 100 –Beëindigde Bedrywighede;
- GRAP 101 – Landbou; en
- GRAP 103 – Erfenis Bates.

Ander relevante rekeningkundige standaard is:

- GRAP 12 - Voorraad; en
- GRAP 11 - Konstruksie kontrakte.

5. DEFINISIES

'n Poging is aangewend om Afrikaanse definisies te gebruik in terme van wetgewing, rekeningkundige standaard en ander riglyne oor bate bestuur. Sou daar enige onduidelikheid oor 'n spesifieke definisie ontstaan, moet daar na die definisie soos per die oorspronklike relevante wetgewing of rekeningkundige standaard verwys word.

“Afskryfbare Bedrag” vir die berekening van waardevermindering – is die koste van 'n bate of ander bedrag wat die koste vervang, minus die reswaarde.

“Aktiewe mark” is 'n mark waarin al die volgende omstandighede teenwoordig moet wees:

- Die bates wat binne die mark verhandel word is homogeen;
- 'n Gewillige koper en verkoper kan normaalweg op enige stadium gekry word; en
- Pryse is beskikbaar aan die publiek.

“Amortisasie” is die stelselmatige allokasie van die afskryfbare bedrag van 'n ontasbare bate oor sy bruikbare leeftyd.

“Ander Bates” – word gedefinieër as bates aangewend in normale bedrywighede. Voorbeelde hiervan is aanleg, eiendom en toerusting, voertuie en meubels en toebehore.

“Bate Bestuurder” is enige amptenaar aan wie die verantwoordelikheid gedelegeer is en wat rekenskap moet doen vir die beheer, gebruik, fisiese- en finansiële bestuur

van die Munisipaliteit se bates, in terme van die munisipaliteit se standarde, beleide, prosedures en relevante riglyne.

“Bate Register” is die rekordhouding van inligting oor elke bate wat die effektiewe finansiële- en tegniese bestuur van die bates ondersteun en wat aan statutêre vereistes voldoen.

“Bates” is hulpbronne wat beheer word deur die Munisipaliteit as gevolg van geskiedkundige gebeure en waarvan verwag word dat toekomstige ekonomiese voordele of potensiele diens sal voortspruit. Derhalwe, vir die doel van hierdie beleid, sluit bates voorraad en ander monetêre bates uit.

“Beleggingseiendom” – word gedefinieër as eiendom (grond of ‘n gebou of deel van ‘n gebou of albei) besit (deur die einaar of die huurder binne ‘n bruikhuurkontrak) om huur te verdien of vir kapitale groei of beide, anders as vir:

- (a) gebruik in die produksie en voorsiening van goedere en dienste of vir administratiewe doeleindes; of
- (b) verkope in die normale verloop van besigheid.

“Bestuurder” is enige senior bestuurder en elke munisipale amptenaar betrokke in die uitvoering van finansiële bestuurs verantwoordelikhede.

“Billike Waarde” – is die bedrag waarvoor bates verruil kan word tussen kundige, gewillige partye in ‘n armlengte transaksie.

“Biologiese Bate” is ‘n lewendige dier of plant.

“Biologiese Transformasie” behels die proses van groei, degenerasie, produksie en pro-ontwerp wat kwalitatiewe en kwantitatiewe veranderinge aan ‘n biologiese bate veroorsaak.

“Bruikbare Leeftyd” – is of:

- die periode waaroor ‘n bate verwag word om gebruik te word deur die Munisipaliteit, of
- die hoeveelheid produksie of soortgelyke eenhede wat verwag word om verkry te word vanuit die bate deur die Munisipaliteit.

“Diensverskaffer” –

- (a) in verband met ‘n munisipale diens, beteken ‘n privaat sektor party of staatsorgaan aangestel deur ‘n munisipaliteit, in terme van Artikel 8 van die MSW, om ‘n munisipale diens in ooreenstemming met die Wet te verrig; of
- (b) in verband met ‘n kommersiële diens, beteken ‘n privaat sektor party of staatsorgaan, aangestel in terme van die voorsieningskanaal bestuursbeleid van ‘n munisipaliteit of munisipale entiteit, om ‘n kommersiële diens te verleen aan of vir die munisipaliteit of entiteit, as ‘n onafhanklike kontrakteur.

“Die Wet” beteken die Plaaslike Owerheid: Munisipale Finansiële Bestuurswet, 2003 (Wet No 56 van 2003).

“Drabedrag” is die bedrag waarteen ‘n bate erken word na aftrekking van enige opgehoopde waardevermindering en opgehoopde permanente waardedalings.

“Eiendom, Aanleg en Toerusting” (EAT) – is tasbare bates wat:

- deur die munisipaliteit gehou word vir gebruik in die produksie of voorsiening van goedere of dienste, vir verhuring aan ander, of vir administratiewe doeleindes; en
- wat verwag word om gebruik te word gedurende meer as een periode.

“Erfenis Bates” – word gedefinieër as kultureel betekenisvolle hulpbronne. Voorbeelde hiervan is kunswerke, historiese geboue en standbeelde.

“Gedepresieërde vervangingskoste”, in verband met kapitale bates, beteken ‘n bedrag gelykstaande aan die koste om die kapitale bate te vervang op die datum van oorpasing, aangepas deur ‘n geagte gedepresieërde koste op die datum wat oopslasing plaasvind met inagneming van die toestand en ouderdom van die bates.

“Gemeenskapsbates” – word gedefinieër as enige bate wat tot die gemeenskap se welstand bydra. Voorbeelde hiervan is parke, biblioteke en brandweerstasies.

“GRAP” is Standaard van Algemeen Erkende Rekeningkundige Praktijk.

“Historiese Koste” – beteken die oorspronklike aankoopprys of koste van aanskaffing van die kapitale bates ten tyde van die aanskaffing van die bate.

“Hoof Finansiële Beampte” beteken ‘n amptenaar van die munisipaliteit wat deur die Munisipale Bestuurder aangesê is om administratief in beheer te wees van die begroting en tesourie funksies.

“Infrastruktuur bates” – word gedefinieër as enige bate wat deel is van ‘n netwerk of soortgelyke bates. Voorbeelde hiervan is paaie, water suiweringsnetwerke, riool suiweringsnetwerke, hoofweë, vervoer terminale en parkeerareas.

“Klas van aanleg, eiendom en toerusting” beteken ‘n groepering van bates van soortgelyke aard of funksie in ‘n munisipaliteit se bedrywighede, wat as ‘n enkel item getoon word vir die doel van openbaarmaking in die finansiële state.

“Kommersiële diens” beteken ‘n diens anders as ‘n munisipale diens:

- (a) Verskaf deur ‘n private sektor party of staatsorganisasie aan of vir ‘n munisipaliteit of munisipale entiteit op ‘n kommersiële basis; en
- (b) Wat deur die munisipaliteit of munisipale entiteit aangekoop is deur die voorsieningskanaal bestuursbeleid.

“Koste” – is die bedrag van kontant of kontant ekwivalente betaal of die billike waarde van die ander teenprestasie wat gegee word om ‘n bate aan te skaf op die tyd van aanskaffing of konstruksie of waar van toepassing, die bedrag toegeken aan daardie bate tydens aanvangserkenning in terme van die spesifieke vereistes van GRAP Standaard.

“Landboukundige Aktiwiteit” is die bestuur deur die munisipaliteit van die biologiese transformasie van biologiese bates gehou vir verkoop, in landboukundige produksie, of in addisionele bates.

“Landboukundige Opbrengs” is die produk van die oes van die entiteit se biologiese bates.

“Munisipaliteit” beteken die Bergrivier Munisipaliteit.

“Munisipale Waardasie” beteken die amptelike waardasie van ‘n vaste eiendom soos aangedui in die Munisipaliteit se waardasierol.

“Ontasbare bates” – is identifiseerbare nie-monitêre bates sonder fisiese bestaan.

“Oordrag”, met betrekking tot ‘n kapitale of sub bate, beteken die oordrag van eienaarskap as gevolg van verkope of ander transaksies.

“Permanente Waardedalings Verlies” – van kontant genererende bates is die bedrag waarmee die drawaarde van bates die verhaalbare bedrag oorskry.

“Permanente Waardedalings Verlies” - van nie-kontant genererende bates is die bedrag waarmee die drabedrag van bates die verhaalbare diens bedrag oorskry.

“Reg om te benut, beheer en bestuur” beteken die reg om die kapitale bate te gebruik, beheer of bestuur vir ‘n periode langer as een kalender maand, sonder om eienaarskap oor die bate af te staan. Met ander woorde, waar die vergunning van so ‘n reg nie tot die oorplaas of permanente vervreemding van die bate lei nie, byvoorbeeld wanneer ‘n reg verkry is deur ‘n huurkontrak, verhuring of huur ooreenkoms.

“Rekenpligtige beampte” beteken die Munisipale Bestuurder aangestel in terme van Artikel 82 van die Plaaslike Owerheid: Munisipale Strukture Wet, 1998 (Wet 117 van 1998) en in beheer is van die administrasie en rekenpligtige verantwoordelikhede in terme van Artikel 60 van die Plaaslike Owerheid: Munisipale Finansiële Bestuurswet, 2003 (Wet. 56 van 2003);

“Reswaarde” –is die geskatte bedrag wat die munisipaliteit huidiglik sou verkry met die vervreemding van die bate, na aftrekking van die geskatte koste van vervreemding, indien die bates reeds die ouderdom en verwagte toestand aan die einde van die bruikbare leeftyd bereik het.

“Realiseerbare Waarde” beteken die bedrag in kontant of kontant ekwivalente wat huidiglik verkry kan word deur die kapitale bates, minus die beraamde koste van voltooiing en die beraamde koste benodig om die ooplasing te doen, oor te plaas.

“Senior Bestuurder” is ‘n besuurder waarna verwys word in Artikel 57 van die Munisipale Stelsels Wet (MSW) en wat iemand is wat direk aan die Munisipale Bestuurder rapporteer.

“Verhaalbare Bedrag” – is die hoogste van die kontant genererende bate se verkoopprijs en die toekomstige waarde in gebruik.

“Verhaalbare diensbedrag” is die hoogste van ‘n nie-kontant genererende bate se redelike waarde minus die koste van verkope en die toekomstige waarde in gebruik.

“Vervreemding”, in verband met kapitale bates, sluit in –

- (a) Die afbreek, sloop of vernietiging van die kapitale bates; of
- (b) Enige ander proses toegepas op kapitale bates wat lei tot die verlies in eienaarskap van die kapitale bates, anders as deur oordra van eienaarskap.

“Vervreemdings bestuurstelsel” beteken die stelsel oorweeg in regulasie 40 van die Munisipale Voorsieningskanaal Bestuurs Regulasies, gepubliseer deur Algemene Kennisgewing No. 868 van 2005.

“Verbetering / Rehabilitasie” is ‘n verbetering of verandering van ‘n bestaande bate bo sy oorspronklik erkende diens potensiaal, byvoorbeeld bruikbare leeftyd, kapasiteit, kwaliteit en funksionaliteit.

“Voorsieningskanaal bestuursbeleid” beteken die voorsieningskanaal bestuursbeleid wat ‘n munisipaliteit of munisipale entiteit moet hê in terme van Hoofstuk 11 van die Wet.

“Waardevermindering” – is die stelselmatige allokasie van die afskryfbare bedrag van bates oor hulle bruikbare leeftyd.

6. AGTERGROND

Die aanwending en bestuur van EAT, beleggingseiendom, ontasbare bates, erfenis bates en landboukundige bates is die primêre meganisme waardeur die Munisipaliteit sy grondwetlike mandaat kan vervul vir: -

- Lewering van volhoubare dienste;
- Sosiale en ekonomiese ontwikkeling;
- Bevordering van ‘n veilige en gesonde omgewing; en
- Vervulling van die basiese behoeftes van die gemeenskap.

Die Munisipaliteit het ‘n wetgewende en morele plig om te verseker dat beleide geïmplementeer word om die effektiewe en doeltreffende gebruik van bates oor hulle bruikbare leeftyd te verseker.

Die beleid vir die bestuur van bates handel oor die munisipale reëls wat vereis word om die afdwinging van toepaslike rentmeesterskap oor bates te verseker. Rentmeesterskap het drie komponente naamlik:-

- Bestuur, benutting en beheer deur die Munisipale Amptenare;
- Fisiese administrasie deur die Hoof Finansiële Beampste; en
- Fisiese administrasie deur die Bestuurder: Bates.

Statutêre voorsienings word geïmplementeer om publieke eiendom te beskerm teen arbitrêre en onbehoorlike bestuur of vervreemding deur plaaslike owerheid.

Rekeningkundige standaarde is goedgekeur deur die Raad van Rekeningkundige Standaarde (ASB) om die behoorlike finansiële hantering van eiendom, aanleg en toerusting, beleggings eiendom, ontasbare bates, erfenis bates en landboukundige bates te verseker. Die vereistes van hierdie nuwe rekeningkundige standaarde sluit in:-

- Die opstel van bate registers wat alle bates insluit wat deur die Munisipaliteit beheer word.
- Rekeningkundige hantering vir die aanskaffing, vervreemding, teboekstelling en waardevermindering / amortisasie van bates.
- Die standaarde waarvolgens finansiële rekords bygehou moet word om aan die nuwe rekeningkundige standaarde te voldoen.

7. DELEGASIE VAN PLIGTE

Hierdie beleid behoort toegepas te word met inagneming van die Munisipaliteit se beleid met betrekking tot gedelegeerde magte. Sulke magte verwys na delegasies tussen die Munisipale Bestuurder en ander verantwoordelike amptenare asook tussen die Raad en die Uitvoerende Burgemeester en die Raad en die Munisipale Bestuurder. Alle delegasies in terme van hierdie beleid moet skriftelik gedoen word.

Ooreenkomstig die Plaaslike Owerheid: Munisipale Finansiële Bestuurswet (Wet 56 van 2003) (MFMA), is die Munisipale Bestuurder die rekenpligtige beampte van die Munisipaliteit en daarom moet alle afgevaardigde amptenare aan hom/haar rekenskap gee. Die Munisipale Bestuurder is daarom verantwoordelik vir alle transaksies aangegaan deur sy/haar afgevaardigdes.

Die oorhoofse verantwoordelikheid van bate bestuur berus by die Munisipale Bestuurder alhoewel die dag-tot-dag hantering van bates die verantwoordelikheid van alle amptenare in terme van skriftelik gedelegeerde magtiging behoort te wees.

8. VERANTWOORDELIKHEID

Munisipale Bestuurder

Die Munisipale Bestuurder is verantwoordelik vir die bestuur van die bates van die Munisipaliteit, insluitend die veilige bewaring en die onderhoud van daardie bates. Hy/sy moet verseker dat:-

- Die Munisipaliteit beskik oor 'n bestuurs-, rekeningkundige- en inligtingstelsel wat van die bates van die Munisipaliteit rekenskap gee en dit in stand hou.
- Die Munisipaliteit se bates waardeur word in terme van GRAP.
- Die Munisipaliteit 'n stelsel het van interne beheer oor bates, insluitend 'n bate register, en dit in stand hou.
- Senior bestuurders en ander amptenare voldoen aan hierdie beleid.

Hoof Finansiële Beampte

Die Hoof Finansiële Beampte moet verseker dat:-

- Geskikte finansiële bestuurstelsels en interne beheer gevestig en pligsgetrou uitgevoer word.
- Die finansiële en ander bronne van die Munisipaliteit aan hom/haar toegeken effektief, ekonomies en doeltreffend benut word.
- Enige ongemagtigde, onreëlmatige, vrugtelose of verkwiste uitgawes en verliese as gevolg van kriminele of nalatige gedrag, verhoed word.
- Die stelsels, prosesse en registers, wat vereis word om die finansiële waardes van die Munisipaliteit se bates te ondersteun, onderhou word volgens voldoende standaarde wat aanvaarbaar is volgens vereistes van effektiewe bestuur.
- Finansiële prosesse gevestig en onderhou word om te verseker dat die Munisipaliteit se finansiële hulpbronne optimaal benut word deur gepaste bate beplanning-, begroting-, aankoop-, onderhoud- en vervreemdingsbesluite.
- Die Munisipale Bestuurder toepaslik geadviseer is oor die uitoefening van magte en pligte ten opsigte van die finansiële administrasie van bates.

- Die bestuurders en senior bestuurspanne toepaslik geadviseer word oor die uitoefening van hulle magte en pligte ten opsigte van die finansiële administrasie van bates.

Senior Bestuurders

Die Senior Bestuurders moet verseker dat:

- Gepaste stelsels gevestig en uitgevoer word vir fisiese bestuur en beheer oor bates in hulle gebied van verantwoordelikheid.
- Die Munisipale hulpbronne aan hom/haar toegeken effektief, ekonomies en doeltreffend benut word.
- Die bates onder hulle beheer behoorlik beveilig is en onderhou word tot op die vereiste vlak en dat risiko bestuurstelsels bestaan en onderhou word.
- Enige ongemagtigde, onreëlmatige, vrugtelose of verkwiste uitgawe en verliese as gevolg van kriminele of nalatige gedrag, verhoed word.
- Hulle bestuurstelsels en kontroles akkurate, betroubare en op-datum rekenskap van bates onder hulle beheer kan voorsien.
- Hulle planne, begrotings-, aankope-, onderhoud- en vervreemdingsbesluite rakende bates regverdig kan word en dat die Munisipaliteit se strategiese doelwitte optimaal bereik word.
- Die aankope van bates voldoen aan alle munisipale beleide en prosedures.
- Alle bates teboekgestel tydig is en geïdentifiseer en geïnspekteer is voordat dit in hulle sorg ontvang word.
- Alle los bates ontvang in hulle sorg is behoorlik beveilig teen onregmatige gebruik of verlies. Dit sal beheer oor die fisiese toegang tot die bates insluit asook gereelde bate bevestigings ten einde te verseker dat geen verliese gely is nie. Enige bekende verliese moet onmiddelik aan die Hoof Finansiële Beampte gerapporteer word.
- Bates toepaslik gebruik word vir die doel waarvoor die munisipaliteit dit bekom het.

Die Senior Bestuurder mag delegeer of andersins verantwoordelikheid aan andere toeken om hierdie funksies te verrig maar hulle sal steeds verantwoordelik bly om te verseker dat hierdie aktiwiteite uitgevoer word.

9. FINANSIËLE BESTUUR

Beplanning voor die Aankoop van Bates

Wanneer 'n kapitale projek ingesluit word in die begroting en voor dit geïmplementeer kan word, moet die relevante bestuurder die volgende aan die Raad voorle vir oorweging:

- Die beraamde koste van die projek oor al die finansiële jare totdat die projek in bedryf is;
- Die toekomstige bedryfskoste en inkomste van die projek insluitend die belasting en tarief implikasies.
- Die finansiële volhoubaarheid van die projek oor sy lewensduur insluitend die generering van inkomste en subsidieëring vereistes;
- Die fisiese en finansiële verwantskap van die bate gedurende alle stadiums van sy lewensduur, insluitend die aanskaffing, installasie, onderhoud, bedryf, vervreemding en rehabilitasie,

- Die insluiting van die kapitale projek in die Geïntegreerde Ontwikkelingsplan (GOP) en toekomstige begrotings; en
- Alternatiewe tot die kapitaal aankoop.

Die Hoof Finansiële Beampte is verantwoordelik om te verseker dat alle moontlike hulp, leiding en verduidelikings aan die hoofde van die betrokke departemente verleen word, sodat hy/sy in staat sal wees om sy beplannings vereistes na te kom.

Goedkeuring vir die Aankoop van Bates

Fondse kan slegs op 'n projek spandeer word, indien:

- Die fondse toegedeel was in 'n goedgekeurde kapitale begroting;
- Die projek, ingesluit die totale koste, goedgekeur was deur die Raad;
- Die Hoof Finansiële Beampte bevestig dat befondsing beskikbaar is vir die betrokke projek; en
- Enige kontrak wat finansiële verpligtinge sal veroorsaak vir meer as twee jaar na die begrotingstydperk, behoorlik geopenbaar is.
- Die Voorsieningskanaal Bestuursbeleid nagekom is.

Goedkeuring vir die aankoop van bates sal ingevolge die Munisipaliteit se delegasie van bevoegdhede geskied en die betaling vir die aankoop van bates sal in oorleg met die finansiële beleid en regulasies van die Munisipaliteit gedoen word.

Befondsing van Bates

Die Hoof Finansiële Beampte sal binne die munisipaliteit se deurlopende finansiële, wetlike of administratiewe kapasiteit befondsing-strategieë daarstel en onderhou wat die munisipaliteit se vermoë optimaliseer ten einde die strategiese doelwitte te bereik, soos uiteengesit in die Geïntegreerde Ontwikkelingsplan. Die aankoop van bates sal nie befonds word oor 'n periode wat die bruikbare leeftyd van die bate oorskrei nie.

Tipes befondsingsbronne kan die volgende insluit:

- Eksterne lenings;
- Regerings toekennings;
- Publieke bydraes en donasies;
- Bruikhure;
- Kapitaal Vervangings Reserwe; en
- Surplus kontant.

Vervreemding van Bates

In terme van Artikel 14 van die MFMA mag die Munisipaliteit nie eienaarskap oordra as gevolg van verkope of ander transaksie of andersins bates permanent vervreem wat benodig word vir die lewering van die minimum vlak van basiese munisipale dienste nie, tensy so bate oorbodig is, surplus is tot vereistes, nie reggemaak kan word nie of vervang word met die voorbehoud dat die minimum vlak van basiese munisipale dienste nie benadeel word met die verkoop van die bate nie.

Die Raad delegeer die bevoegdheid om die vervreemding van voertuie met 'n geraamde drawaarde van minder as R100 000 (een honderd duisend rand) en ander roerende bates met 'n geraamde drawaarde van minder as R20 000 (twintig duisend

rand) goed te keur, aan die Munisipale Bestuurder. (RB 666 08/02/2012) Indien die drawaarde bo die genoemde bedrae is, mag die Munisipaliteit eienaarskap oordra of andersins vervreem, buiten in die bogenoemde geval, maar slegs nadat die Raad in 'n vergadering wat oop is vir die publiek:

- Op redelike gronde besluit het dat die bate nie vir die lewering van basiese munisipale dienste benodig word nie;
- Die billike markwaarde van die bate oorweeg het en die ekonomiese- en gemeenskaps waarde wat ontvang sal word in ruil vir die bate oorweeg het.

Die besluit of 'n spesifieke bate nie benodig word vir die lewering van 'n basiese munisipale diens nie, mag nie deur die Munisipaliteit herroep word nadat die bate verkoop, oorgedra of andersins vervreem is nie.

Met voldoening aan beginsels en voorskrifte van die MFMA sal die oordrag van eienaarskap van enige EAT item regverdig, gelyk, deursigtig, kompetend en konsekwent met die Munisipaliteit se Voorsieningskanaal Bestuursbeleid en die Munisipaliteit se Munisipale Bate Oorplasingregulasies wees. Die oordrag van bates na 'n ander munisipaliteit, munisipale entiteit, nasionale departement of provinsiale departement is uitgesluit van hierdie voorskrifte met die voorbehoud dat die oordrag gedoen word in terme van 'n voorgeskrewe wetsraamwerk.

Elke Departementshoof sal skriftelik aan die Hoof Finansiële Beampte rapporteer, voor/op 31 Oktober van elke finansiële jaar, oor alle bates onder beheer of gebruik deur die betrokke departement, wat daardie departement wil vervreem deur publieke veiling of publieke tender.

Die Hoof Finansiële Beampte sal daarna alle versoeke soos ontvang vanaf die verskeie departemente konsolideer en sal kortliks die gekonsolideerde inligting aan die Raad of die Munisipale Bestuurder van die Munisipaliteit, wat die geval ook al mag wees, rapporteer, wat die proses van vervreemding wat gevolg behoort te word voorstel.

Wanneer die bates vervreem is sal die Hoof Finansiële Beampte die vervreemding van die items hanteer in terme van GRAP en die relevante rekords van die Bate Register aanpas. Indien die opbrengs van die vervreemding minder is as die drawaarde aangedui in die Bate Register, moet so verskil erken word as 'n verlies in die Staat van Finansiële Prestasie van die betrokke departement of pos.

Alle bates wat vir afskrywing geormerk is moet per openbare veiling of tender verkoop word nadat die volgende stappe geneem is:

- 'n kennisgewing van die voorneme van die munisipaliteit om die bate te verkoop in die plaaslike pers gepubliseer is;
- die munisipaliteit 'n onafhanklike waardeerder in die geval van tenderverkope aangestel het om 'n minimum verkoopprijs vas te stel;
- in die geval van 'n openbare veiling die munisipaliteit 'n onafhanklike afslaer aangestel het om die veiling waar te neem; en
- in die geval van 'n openbare tender die voorgeskrewe tender prosedures nagekom is.

Verlies, Diefstal, Vernietiging of Permanente Waardedaling van Bates

Elke Bestuurder moet verseker dat enige geval van verlies, diefstal, vernietiging of weselike permanente waardedaling van bates onder sy/haar beheer of wat gebruik

word deur die betrokke departement tydig en skriftelik aan die Hoof Finansiële Beampte, interne ouditeur en in gevalle van vermoedelike diefstal of opsetlike skade aan die Suid-Afrikaanse Polisie diens gerapporteer word.

10. INTERNE KONTROLES

Bate Register

Die Hoof Finansiële Beampte sal 'n Bate Register daarstel en onderhou wat alle belangrike data rakende elke item van Eiendom, Aanleg en Toerusting, Beleggingseiendomme, Ontasbare Bates, Erfenis Bates en Landboukundige Bates saamvat wat aan die kriteria van erkenning voldoen.

Die bate register sal bygehou word in die formaat vasgestel deur die Hoof Finansiële Beampte, en moet voldoen aan die vereistes van GRAP en enige ander rekeningkundige vereistes wat voorgeskryf mag wees.

Die bate register behoort sover moontlik die volgende inligting bevat:

- 'n Kort maar betekenisvolle beskrywing van elke bate;
- Die datum waarop die bate aangeskaf is of in gebruik geneem is;
- Die ligging van die bate;
- Die verantwoordelike bestuurder en departement(e) of pos(te) waarbinne die bates gebruik gaan word;
- Die titel akte nommer, in die geval van eiendom;
- Die erf nommer, in die geval van eiendom;
- Die metingsbasis gebruik (Kosprys of Billike waarde);
- Die oorspronklike bruikbare leeftyd;
- Die hersiene bruikbare leeftyd;
- Die reswaarde;
- Die hersiene reswaarde;
- Die oorspronklike koste of die herwaardeerde bedrag of die billike waarde indien geen koste beskikbaar is nie;
- Die (laaste) herwaarderingsdatum van die bates wat nog waardeer moet word;
- Die herwaardeerde waarde van daardie bates;
- Wie die (laaste) herwaardasie gedoen het;
- Ogehoopte waardevermindering tot op datum;
- Die waardeverminderingseffing vir die huidige finansiële jaar;
- Die drawaarde van die bate;
- Die metode en koers van waardevermindering;
- Permanente waardedalinge wat plaasgevind het gedurende die finansiële jaar (en die terugskryf van sulke dalings waar van toepassing);
- Metode waarop verhaalbare bedrag bereken is (wanneer permanente waardedaling vereis word in terme van GRAP);
- Toenames of afnames as gevolg van herwaardasie (indien van toepassing);
- Die bron van finansiering;
- Toestand van die bate;
- Die huidige versekeringsreëlings/ooreenkoms;
- Of die bate vereis word om basiese munisipale dienste te verskaf;

- Of die bate gebruik is as sekuriteit vir enige skuld en indien wel, die aard en tydperk daarvan;
- Sekuriteit reëlins;
- Die datum waarop die bate vervreem is;
- Die verkoopsprys;
- Die datum waarop die bate uitgetree het uit diens, indien dit nie vervreem is nie.

Alle departementshoofde onder wie se beheer enige bate is, sal enige inligting wat vereis word om die bate register saam te stel, kortliks in skrif aan die Hoof Finansiële Beamppte verskaf en sal ook die Hoof Finansiële Beamppte skriftelik in kennis stel van enige wesenlike verandering wat mag plaasvind met betrekking tot daardie inligting.

'n Bate sal gekapitaliseer word, dus in die bate register opgeteken word, so spoedig soos dit aangeskaf word. Indien die bate oor 'n periode opgerig word, sal dit as werk-in-proses opgeteken word totdat dit beskikbaar is vir gebruik waarna dit toepaslik gekapitaliseer word as 'n vaste bate. 'n Bate sal in die bate register bly vir so lank as wat dit fisies bestaan. Die feit dat 'n bate ten volle gedepresieër is, is nie alleenlik 'n rede wees om dit uit die Bate Register te verwyder nie.

Bate Register verwante kontroles moet voldoende wees om Senior Bestuurders te voorsien van 'n akkurate, betroubare en op-datum oorsig van bates onder hulle beheer in terme van standarde vasgestel deur die Hoof Finansiële Beamppte en in terme van die relevante wetgewende- en ander vereistes..

Hierdie kontroles moet die volgende insluit:

- Besonderhede van fisiese bestuur;
- Teboekstelling van alle aankope, opdragte, oordragte, verliese en vervreemdings van bates;
- Gereelde fisiese bate opnames; en
- Stelsel oudits om die akkuraatheid van die rekords te bevestig.

Die Hoof Finansiële Beamppte moet 'n stelsel daarstel wat verseker dat alle los bates voorsien is van 'n unieke identiteitsnommer/strepietkode wat in die bate register opgeneem sal word.

Die Senior Bestuurders moet verseker dat die goedgekeurde bate indentifikasie stelsel noukeurig toegepas word op alle bates onder hulle beheer of in gebruik deur die betrokke departement.

11. FISIESE KONTROLES EN BESTUUR

Die verantwoordlikheid van die Bate Kontrole afdeling

- Die Bate Kontrole afdeling sal die jaarlike bate opname onderneem as deel van hulle jaarlikse rapporterings proses.

Die datum van aankoop

- Die aankoopdatum word geag te wees die tyd wanneer die eienaarskap oorgaan na die Munisipaliteit. Dit mag verskil tussen die verskillende bate klasse maar sal gewoonlik die punt wees waar die bate in gebruik geneem word of wanneer die finale betaling vir die item goedgekeur is.

Oordragte tussen Bestuurders

Permanente Oordrag na Ander Bestuurder

'n Bestuurder mag 'n bate onder sy beheer oordra mits 'n ander Senior Bestuurder skriftelik verantwoordelikheid vir die bate aanvaar. Kopieë van sulke goedkeurings moet aan die Finansiële Dienste Departement oorhandig word.

Die Finansiële Dienste Departement moet die Bate Register aanpas vir al sulke goedgekeurde oordragte.

Die Bestuurder na wie die bate oorgeplaas word moet verantwoordelikheid vir die oorgeplaasde bate aanvaar vanaf 'n datum in die bogenoemde kommunikasie gespesifiseer.

'n Bestuurder moet verseker dat die bates verseker is teen verlies, skade of misbruik, waar ook al die bate geleë is. Beskerming sluit die versekering van redelike fisiese beperkings in.

Verskuiwing of Herontplooiing van Bates

'n Bestuurder moet die Hoof Finansiële Beampte skriftelik in kennis stel wanneer 'n bate verskuif of herontploo is vanaf sy ligging of koste sentrum soos opgeteken in die Bate Register.

In die geval van bates soos voertuie wat onder normale bedrywighede weg van sy basis gebruik word is hierdie rapportering nie nodig nie.

Verifikasie van Bates

Elke Bestuurder, in samewerking met die Bate Kontrole afdeling, sal ten minste jaarliks 'n fisiese bate bevestiging doen van alle bates onder hulle beheer.

Die resultate van die opname sal aan die Hoof Finansiële Beampte gerapporteer word in 'n formaat soos deur die Hoof Finansiële Beampte voorgeskryf.

Die jaarlikse bevestiging sal so na as moontlik aan jaareinde gedoen word en die verslag moet die Hoof Finansiële Beampte nie later as 30 Junie bereik nie.

Versekering van Bates

Die Munisipale Bestuurder moet verseker dat alle roerende bates ten minste teen brand en diefstal verseker is en munisipale geboue en infrastruktuur teen brand en natuur rampe verseker is.

Die Munisipale Bestuurder moet besluit, na konsultasie met die Hoof Finansiële Beampte, oor 'n basis van versekerings dekking wat of die drabedrag of vervangings waarde van die bates kan wees. So aanbeveling sal die Munisipaliteit se begrotings hulpbronne in ag moet neem.

12. BESTUUR EN BEDRYF VAN BATES

Verantwoordelikheid om bates te bestuur

Elke Senior Bestuurder is verantwoordelik om te verseker dat munisipale hulpbronne aan hulle toegewys, effektief, doeltreffend, ekonomies en deursigtig benut word. Dit sluit in:

- Die ontwikkeling van toepaslike bestuurstelsels, prosedures, prosesse en kontroles vir bestuur van bates;
- Die voorsiening van akkurate, betroubare en op-datum rekenskap van bates onder hulle beheer; en
- Die ontwikkeling en motivering van relevante strategiese bestuursplanne en bedryfsbegrotings wat die Munisipaliteit se strategiese doelwitte optimaal bereik.

Inhoud van 'n strategiese bestuursplan

Senior Bestuurders moet bates onder hulle beheer bestuur om die vereiste vlak van diens of ekonomiese voordeel teen die laagste moontlike langtermyn koste te voorsien. Om dit te bereik moet die Senior Bestuurders strategiese bate bestuursplanne ontwikkel wat die volgende dek:-

- Vergelyking met die GOP;
- Bedryfsriglyne;
- Prestasie monitering;
- Onderhoudsprogramme;
- Hernuwing, opknapping en vervangingsplanne;
- Vervreemding en Rehabilitasie planne;
- Bedryfs, finansiële en kapitale ondersteunings vereistes; en
- Risiko bestuursplanne, insluitend versekering strategië.

Die bedryfsbegroting is die kort- tot medium- termyn plan vir implementering van hierdie strategiese bate bestuursplan.

Rapportering van Opkomende Kwessies

Elke Funksionele Bestuurder behoort kwessies, wat die bate item se vermoëns om die vereiste vlak van diens of ekonomiese voordeel te bereik beduidend belemmer, aan die Munisipale Bestuurder te rapporteer.

13. KLASSIFIKASIE EN KOMPONENTE VAN BATES

Klassifikasie van Bates

Enige bate erken as 'n bate in terme van hierdie beleid sal geklassifiseer word in terme van nasionaal erkende kategorieë.

Hierdie kategorieë word deur die Raad van Rekeningkundige Standaarde vasgestel.

Alle bate moet onder die volgende opskrifte geklassifiseer word in die Bate Register:

13.1 Eiendom, Aanleg en Toerusting (EAT)

- Grond (nie gehou as beleggingsbates).

- Infrastruktuur bates (bates wat deel is van 'n netwerk van soortgelyke bates).
- Gemeenskapsbates (bates wat bydra tot die algemene welstand van die gemeenskap).
- Ander bates (normale operasionele bates).

13.2 Beleggingseiendom

13.3 Ontasbare Bates

13.4 Landboukundige Bates

13.5 Erfenis Bates

Opsionele Hantering van Wesenlike Komponente

'n Bestuurder moet, met goedkeuring van die Hoof Finansiële Beamppte, wesentlike komponente van 'n item van eiendom, aanleg en toerusting as 'n aparte bate vir die doeleindes van hierdie beleid hanteer.

Hierdie wesentlike komponente mag gedefinieër word deur sy fisiese eienskappe of sy finansiële eienskappe.

By oorweging vir goedkeuring van hierdie hantering van komponente moet die Bestuurder tevrede wees dat die komponente

- 'n Verskillende bruikbare leeftyd of gebruikspatroon het van die van die hoof bate.
- In lyn is met die bate bestuursplanne;
- Regverdig die koste van aparte identifikasie;
- Waarskynlike toekomstige ekonomiese voordele of potensiële dienslewering uit die bate het wat sal vloei na die Munisipaliteit;
- Se koste betroubaar gemeet kan word;
- Beheer word deur die munisipaliteit; en
- Vir meer as een finansiële gebruik gaan word.

Al sulke besluite en ooreenkomste moet bevestig word voor die begin van die finansiële jaar en moet ingedien word vir goedkeuring saam met die begroting. Enige wysigings sal slegs toegelaat word as deel van die begrotings oorsig (m.a.w. een of twee keer deur die jaar).

Wanneer 'n wesentlike komponent erken is as 'n aparte bate, mag dit aangekoop, gedepresieër en vervreem word asof dit 'n aparte bate is.

14. REKENINGKUNDIGE HANTERING VAN BATES

Erkenning van Bates

'n Item van eiendom, aanleg en toerusting sal erken word as 'n bate wanneer:

- Dit waarskynlik is dat toekomstige ekonomiese voordeel of potensiële dienslewering uit die bate sal vloei na die Munisipaliteit;
- Die koste van die bate betroubaar gemeet kan word;
- Die munisipaliteit beheer het oor die bate; en

- Daar verwag word dat die bate vir meer as een finansiële gebruik gaan word.

Aanvanklike Meting

Die oorspronklike koste van 'n item van EAT of ontasbare bates mag die volgende insluit:

- Kosprys;
- Afleweringskoste;
- Installasie koste;
- Professionele fooie;
- Terein ontwikkelingskoste;
- Kontrakteurs fooie;
- Invoerbelasting;
- Belasting wat nie teruggeeis kan word nie (Bv. BTW op passasiers voertuie).

Donasies en Veruilings

Wanneer 'n item van eiendom, aanleg en toerusting verkry is teen geen koste of teen 'n nominale koste, sal dit oorspronklik gemeet word teen sy billike waarde op die datum van verkryging en in die Bate Register ingesluit word.

Drawaarde van Bates

Na die aanvanklike erkenning as 'n bate sal 'n item van eiendom, aanleg en toerusting gedra word teen sy koste minus opgehoopte waardevermindering en opgehoopte permanente waardedalings.

Waardevermindering

Alle EAT uitgesluit grond, werk-in-proses en erfnis bates, sal gedepresieër word of geamortiseer word, in die geval van ontasbare bates.

Waardevermindering en amortisasie word gedefinieër as die monetêre kwantifikasie van die omvang waarvolgens EAT en Ontasbare Bates gebruik word in die voorsiening van ekonomiese voordele of die lewering van dienste.

Die afskryfbare bedrag van 'n bate word bepaal nadat die reswaarde van die bate afgetrek is. In praktyk is die reswaarde meestal nie wesenlik nie.

Wanneer die standaard hantering aanvaar is en die reswaarde waarskynlik wesenlik gaan wees, word die reswaarde geraam op die datum van aankoop. Die raming word gebaseer op die heersende reswaarde op die datum van soortgelyke bates wat reeds die einde van hulle bruikbare leeftyd bereik het en wat onder soortgelyke omstandighede bedryf is.

Die waardeverminderings uitgawe vir elke periode sal as 'n uitgawe erken word in die bedryfsbegroting van elke Departement.

Die waardeverminderings metode gebruik sal die verwagte patroon reflekteer waardeur die bate se toekomstige ekonomiese voordele of dienslewering potensiaal die waarde van die bate verminder.

'n Verskeidenheid waardevermindering metodes kan gebruik word om die afskryfbare bedrag te allokier op 'n sistematiese wyse oor die bruikbare leeftyd van die bate. Die metodes sluit die volgende in:

- Reguitlyn metode;
- Verminderde saldo metode; en
- Som van produksie eenhede metode.

Reguitlyn waardevermindering veroorsaak 'n konstante uitgawe oor die bruikbare leeftyd van die bate indien die reswaarde nie verander nie.

Die verminderde saldo metode veroorsaak 'n dalende uitgawe oor die bruikbare leeftyd van die bate.

Die som van produksie eenhede metode veroorsaak 'n uitgawe gebaseer op die verwagte gebruik of uitset.

Die metode van waardevermindering word konstant toegepas van periode tot periode tensy daar 'n verandering was in die verwagte patroon van gebruik van toekomstige ekonomiese voordele of dienslewering potensiaal.

Die reguitlyn metode geniet voorkeur tensy anders skriftelik ooreengekom met die Hoof Finansiële Beampte.

Waardevermindering word bereken vanaf die dag waarop die bate gereed was vir gebruik.

Elke Departementshoof, wat optree in konsultasie met die Hoof Finansiële Beampte, sal verseker dat daar jaarliks in die begroting redelike voorsiening gemaak word vir die waardevermindering en amortisasie van alle toepaslike EAT of Ontasbare Bates wat beheer word of gebruik word deur die departement of wat verwag word om beheer of gebruik te word gedurende die opvolgende finansiële jaar.

Aanvanklike Bepaling van Nuttige Lewenduur

Die Hoof Finansiële Beampte moet die bruikbare leeftyd van 'n spesifieke bate of klas van bates bepaal deur die ontwikkeling van 'n strategiese bate bestuursplan. Die bepaling van die bruikbare leeftyd behoort as deel van enige voor-aankoops beplanning ingesluit te word wat onder andere die volgende faktore sal oorweeg:

- Die program wat die langtermyn kostes om die bate te besit optimaliseer;
- Ekonomiese oorbodigheid omdat dit te duur is om te onderhou;
- Funksionele oorbodigheid omdat dit nie langer aan die munisipaliteit se behoeftes voldoen nie;
- Tegniese oorbodigheid;
- Sosiale oorbodigheid weens veranderende demografie; en
- Wetlike oorbodigheid weens statutêre bepalings.

'n Skedule van lewensdure is aangeheg as Aanhangsel A. Dit kan slegs as 'n riglyn dien, want werklike lewensdure mag drasties verskil van hierdie aanbevole lewensdure.

In die geval van 'n item van EAT of Ontasbare Bate wat nie gelys is in die bylaag nie, moet die relevante departementshoof in konsultasie met Hoof Finansiële Beampte die bruikbare leeftyd bepaal en sal gelei word in die bepaling van die bruikbare

leef tyd deur die patroon waarvolgens die item se ekonomiese voordele of diens potensiaal verbruik sal word.

Onderdele spesifiek aangekoop vir 'n bate of klas bates tydens die aanvanklike aankoop van die bate en wat oorbodig sal raak indien 'n bate of klas bates uitree of die bate of klas bates se gebruik gestaak word, moet oorweeg word om deel te vorm van die historiese koste van daardie bate of klas bates. Die afskryfbare bedrag van die onderdele sal afgeskryf word oor dieselfde lewensduur as die bate of klas bates.

Hersiening van Nuttige Lewensduur en Reswaardes

Slegs die Hoof Finansiële Beampte in konsultasie met die relevante Bestuurder mag die bruikbare leeftyd of reswaarde van 'n bate bepaal of aanpas.

Die Hoof Finansiële Beampte sal die bruikbare leeftyd of reswaarde toegeken aan enige bate aanpas indien dit bekend word dat die bate 'n wesenlike permanente waardedaling gehad het, nie behoorlik onderhou is nie, tot so mate dat die verwagte lewensduur van die bate nie bereik sal word nie, of enige ander insident wat plaasgevind het wat 'n wesenlike invloed het op die patroon waarmee die bate se ekonomiese voordele of dienslewering potensiaal verbruik word.

Indien die waarde van enige item van EAT of 'n ontasbare bate verminder word in so 'n mate dat dit geen of 'n onbeduidende nuttige bedryfslwensduur van waarde het, sal die item ten volle gedeprisieër of geskrap word in die finansiële jaar waarin die waardedaling plaasgevind het.

Ooreenkomstig, indien enige item van EAT verlore, gesteel of beskadig is in so 'n mate dat dit onherstelbaar is, sal die item(s) ten volle gedeprisieër word in die finansiële jaar waarin die gebeurtenis plaasgevind het. Indien die item fisies nie meer bestaan nie, sal dit afgeskryf word in die bateregister.

In al die voorafgaande gevalle, sal die bykomende waardevermindering uitgawes gedebiteer word teen die departement of pos wat die item van EAT of ontasbare bates beheer of gebruik.

Addisionele waardevermindering waarvoor nie begroot was nie, as gevolg van onvoorsiene of onvermydelike uitgawes, moet voorsien word in 'n gewysigde begroting. Indien sulke omstandighede na aan die einde van die finansiële jaar ontstaan en daar nie tyd is vir die Raad om die wysigings te oorweeg voor die einde van die finansiële jaar nie, mag 'n die Burgemeester dit goedgekeur in terme van Artikel 29 van die MFMA, met die voorbehoud dat enige ander bepalings van die MFMA nagekom word.

Hersiening van die Waardevermindering Metode

Die waardevermindering metode toepaslik vir elke klas bates moet jaarliks hersien word en indien daar 'n wesenlike verandering is in die verwagte patroon van ekonomiese voordele of dienslewering potensiaal van daardie bates, moet die metode aangepas word om daardie verandering te reflekteer.

Wanneer so verandering in waardevermindering metode nodig is moet die verandering as 'n verandering in rekeningkundige raming hanteer word en die waardevermindering uitgawe van huidige en toekomstige periodes moet aangepas word.

Daaropvolgende Uitgawes

Daaropvolgende uitgawes met betrekking tot 'n bate wat reeds gekapitaliseer is behoort slegs by die drabedrag van die bate bygevoeg te word wanneer dit waarskynlik is dat toekomstige ekonomiese voordele of potensiële dienslewering, bo die oorspronklik geassesseerde standaard van werkverrigting van die bestaande bate, na die Munisipaliteit sal vloei.

Alle ander uitgawes sal as 'n uitgawe hanteer word in die periode waarin dit plaasgevind het.

Voordat die kapitalisering van daaropvolgende uitgawes goedgekeur word, moet die Hoof Finansiële Beampte tevrede wees dat die uitgawe 'n wesenlike:

- Toename in die lewensduur van die bate tot gevolg sal hê bo dit wat in die Bate Register aangedui is; of
- Toename in die kwaliteit van diens gelewer bo die huidige vlak van dienslewering; of
- Toename in die hoeveelheid dienste wat die bate kan lewer; of
- Afname in die toekomstige verwagte onderhouds kostes van die bate.

Uitgawes wat oorweeg word vir kapitalisering moet ook voldoen aan die erkennings kriteria van bates en moet toepaslik ingesluit word in die kapitaal begroting.

Waardedalingsverliese

Die drabedrag van 'n item of groep identiese items van Eiendom, Aanleg en Toerusting, Beleggingseiendomme en Ontasbare Bates moet periodiek hersien word ten einde te bepaal of die verhaalbare bedrag nie gedaal het na 'n bedrag wat laer is as die drabedrag nie.

Die verhaalbare bedrag is die bedrag wat die munisipaliteit verwag om te verhaal uit die toekomstige gebruik van die bate insluitend sy reswaarde met vervreemding. Wanneer so daling plaasgevind het, moet die drabedrag verlaag word na die verhaalbare bedrag. Die bedrag van hierdie waardedaling sal onmiddelik as 'n uitgawe in die Staat van Finansiële Prestasie erken word. Indien dit 'n omkeer van 'n vorige herwaardasie is sal die nie-verdeelbare reserwe verminder word.

Die verhaalbare bedrag van individuele bates of groepe identiese bates word afsonderlik bereken en die drabedrag word verlaag na die verhaalbare bedrag van die individuele bate of groep identiese bates, basis. Daar mag egter omstandighede bestaan waar dit nie moontlik is om die verhaalbare bedrag van 'n bate te oorweeg op hierdie basis nie, byvoorbeeld waar al die aanleg en toerusting in 'n rioolsuiweringsaanleg vir dieselfde doel gebruik word. Onder sulke omstandighede sal die drabedrag van elk van die verwante bates proporsioneel verminder in verhouding tot die daling in verhaalbare bedrag van die kleinste groepering van bates waarvoor dit moontlik is om 'n oorweging van die verhaalbare bedrag te maak.

Die volgende is aanwysers van 'n moontlike permanente waardedaling van 'n bate:

- Die bate is beskadig;
- Die bate is tegnologie verouderd en is nie meer bruikbaar nie;
- Die bate is vir lang periodes in onbruik voor of gedurende die tydperk waarbinne dit in gebruik geneem is; en

- Grond wat teen markwaarde gekoop is maar vir gesubsidieerde behuisings projekte gebruik gaan word en waar die subsidie minder is as die aankoopsprys.

Die volgende stappe sal gereeld gedurende die jaar uitgevoer moet word ten einde waardedalingsverliese te erken:

- Die departemente sal bates identifiseer en die Hoof Finansiële Beampte en Bate Kontrole afdeling in kennis stel wat:
 - Beskadig is op jaareinde;
 - Tegnologies verouderd is op jaareinde;
 - Vir lang periodes in onbruik was voor die bate in gebruik geneem is of gedurende sy leeftyd;
 - Onderworpe is aan waardedalingsverliese omdat die subsidie wat ontvang gaan word in ruil vir bates minder is as die drabedrag van die bates. 'n Voorbeeld hiervan is grond wat gekoop is teen markwaarde en wat gebruik gaan word vir gesubsidieerde behuisings ontwikkelings.
- Die verhaalbare bedrag van hierdie bates moet bepaal word deur die netto verkoopsprys per bate te bepaal soos hierbo gedefinieer.
- Die waardedalingsverlies per bate is die verskil tussen die netto verkoopsprys en die drawaarde van die bate.

Daaropvolgende Toename in die Verhaalbare Bedrag

'n Daaropvolgende toename in die verhaalbare bedrag van 'n bate, wat voorheen onderworpe was aan 'n waardedalingsverlies weens 'n afname in die drabedrag, sal teruggeskryf word indien die omstandighede wat die verlies veroorsaak het ophou bestaan het en na verwagting in die nabye toekoms so sal bly.

Die bedrag wat teruggeskryf word behoort verminder te word met die bedrag wat as waardevermindering erken sou word indien die afskrywing nie plaasgevind het nie.

Rekeningkundige Hantering van Vervreemdings

'n Bate behoort uit die Bate Register verwyder te word op vervreemding of wanneer die bate permanent van gebruik onttrek word en geen verdere ekonomiese voordele of potensiele dienslewering weens sy bestaan verwag word nie.

Winst en verliese wat ontstaan weens die uittrede of verkoop van 'n bate sal bereken word as die verskil tussen die werklike of verwagte verkoopsopbrengs en die drawaarde van die bate en sal as 'n inkomste of uitgawe in die finansiële rekords erken word.

Herindiensneming, Onderhoud en Ander Uitgawes

Slegs uitgawes aangegaan vir die verbetering van 'n bate (in die vorm van verbeterde of verhoogde dienste, of voordele wat vloei van die gebruik van so bate) of 'n wesentlike verlenging van die bruikbare leeftyd van 'n bate, sal gekapitaliseer word.

Uitgawes aangegaan vir die onderhoud of herindiensneming van 'n bate sal erken word as bedryfsuitgawes aangegaan om te verseker dat die bate se bruikbare leeftyd volhou word en sal daarom nie gekapitaliseer word nie, ongeag die aard van die uitgawes.

Uitgawes wat redelik toeskryfbaar is om die bate in gebruik te neem mag gekapitaliseer word as deel van die koste van daardie bate. Sulke uitgawes kan die volgende, maar is nie beperk tot die volgende, insluit: invoer belastings, termyn kontrak koste, vervoer koste, installasie koste, oprigtings koste en kommunikasie kostes.

Die volgende tabel kan gebruik word om kapitale uitagwes van ondershouds-uitgawes te onderskei:

KAPITALE UITGAWES	ONDERHOUD
<ul style="list-style-type: none">• Aankoop van 'n nuwe bate• Vervanging van 'n bestaande bate• Verbetering van 'n bestaande bate sodat sy gebruik uitgebrei word.• Verdere ontwikkeling van bestaande bates sodat sy aanvanklike bruikbare leeftyd verleng word.	<ul style="list-style-type: none">• Restorering van 'n bate sodat dit kan voortgaan om gebruik te word vir sy bedoelde gebruik.• Onderhoud van 'n bate sodat dit vir die aanvanklike bedoelde periode gebruik kan word.

Bruikhure en Bedryfshure

Bruikhure is hure, wat in effek alle risiko's en vergoeding verbonde aan eienaarskap van die bate van die verhuurder na die huurder oordra. Bates wat gehou word onder bruikhure sal deur die Munisipaliteit gekapitaliseer word en in die Bate Register opgeneem word. Die bate sal teen sy huurwaarde gekapitaliseer word aan die begin van die huur, wat die prys sal wees soos aangedui in die huur ooreenkoms, of teen 'n prys wat bereken is nadat 'n redelike rente op die huur betalings oor die periode van die huur in ag geneem is. Waardevermindering word op die bate afgeskryf oor sy verwagte bruikbare leeftyd.

Bedryfshure is daardie hure wat nie binne die definisie van bruikhure val nie. Bedryfshure se uitgawes word erken soos wat dit betaalbaar word. Bates wat onder bedryfshure gehou word sal nie in die Bate Register erken word nie.

Beleggingseiendomme

Beleggingseiendom sal hanteer word in terme van GRAP 16 en sal afsonderlik geklassifiseer word in die Staat van Finansiële Posisie.

Beleggingseiendomme bestaan uit grond of geboue (of gedeeltes van geboue) of beide wat gehou word deur die Munisipaliteit, as eienaar of as verhuurder onder 'n bruikhuur, om huur inkomste te ontvang of vir kapitale groei of vir beide.

Beleggingseiendomme sal in 'n aparte gedeelte van die Bate Register opgeneem word, soortgelyk aan ander bates.

Waardevermindering sal jaarliks op beleggingseiendomme oor hul oorblywende nuttige lewensduur afgeskryf word.

Bates Gehou as Voorraad

Enige grond of geboue wat deur die Munisipaliteit besit of aangekoop is, met die bedoeling om sulke eiendom te verkoop in die normale verloop van besigheid of om sulke eiendom te ontwikkel met die bedoeling om te verkoop in die normale verloop van besigheid, sal as voorraad openbaar word. Sulke eiendom sal nie ingesluit word by enige van eiendom, aanleg, toerusting of beleggingseiendom in die Munisipaliteit se Staat van Finansiële Posisie nie.

Die voorraad moet opgeteken word in die bate register op dieselfde manier as ander vaste bates maar 'n afsonderlike afdeling in die bate register moet onderhou word vir hierdie doel.

Erfenis Bates

Erfenis bates sal hanteer word in terme van GRAP 103 en sal afsonderlik geklassifiseer word in die Staat van Finansiële Posisie.

Erfenis bates sal in 'n aparte gedeelte van die Bate Register opgeneem word, soortgelyk aan ander bates.

Indien geen oorspronklike koste of billike waarde beskikbaar is vir een of meer erfenis bates nie, kan die Hoof Finansiële Beampte, indien geglo word dat die bepaling van die billike waarde van die bates onder oorsig 'n buitensporige of duur onderneming gaan wees, daardie bate of bates in die bate register erken sonder 'n aanduiding van die kosprys of billike waarde.

Vir die doeleindes van die Staat van Finansiële Posisie sal die bestaan van sulke erfenis bates met behulp van 'n gepaste nota openbaar gemaak word.

Ander Afskrywings van Bates

'n Bate item, selfs al is dit ten volle gedepresieër, sal slegs afgeskryf word wanneer dit nie meer gebruik kan word nie, op aanbeveling van die Departementshoof wat die betrokke item beheer of gebruik. Die Hoof Finansiële Beampte moet dit ook goedkeur.

Elke Departementshoof sal voor/op 31 Oktober van elke finansiële jaar aan die Hoof Finansiële Beampte rapporteer oor enige bate item wat daardie Departementshoof afgeskryf wil hê, met die volle redes vir so aanbeveling. Die Hoof Finansiële Beampte sal al sulke verslae konsolideer en sal kortliks die Munisipale Bestuurder in kennis stel oor die bate wat afgeskryf moet word.

Die enigste redes vir die afskrywing van bates anders as deur vervreemding sal verlies, diefstel, vernietiging en permanente waardedalings van die betrokke items insluit.

Indien 'n bate item afgeskryf moet word as gevolg van 'n gebeurtenis buite die beheer van die Munisipaliteit, soos kwaadwillige beskadiging, diefstal of vernietiging, moet die Munisipale Bestuurder bepaal of 'n derde party of 'n werknemer betrokke was in die verlies en alle redelike stappe neem om so verlies te verhaal, insluitend om die insident aan die Suid Afrikaanse Polisie diens, die Ouditeur-Generaal en

versekering te rapporteer asook om dissiplinêre stappe teen so werknemer wie betrokke by so insident mag gewees het te neem.

In elke geval waar 'n nie ten volle gedepresieërde bate item afgeskryf word, sal die Hoof Finansiële Beampte so departement of pos onmiddelik met die volle drawaarde van die betrokke item debiteer as addisionele waardevermindering uitgawes.

15. ONDERHOUD

Onderhoudsplanne

Elke Departementshoof sal verseker dat 'n onderhoudsplan met betrekking tot elke nuwe bate met 'n bate waarde en/of kategorie, soos van tyd tot tyd deur die Munisipale Bestuurder bepaal, vroegtydig voorberei en aan die Munisipale Bestuurder voorlê.

Indien deur die Munisipale Bestuurder aanbeveel, sal die onderhoudsplan aan die Raad voorgelê word voordat enige goedkeuring gegee mag word vir die aanskaf of konstruksie van die infrastruktuur bate betrokke.

Die Departementshoof wat die betrokke infrastruktuur bate beheer of gebruik, moet jaarliks aan die Raad rapporteer, nie later nie as Julie of die vroegste Raadsvergadering daarna, tot die mate waartoe die relevante onderhoudsplan aan voldoen is en die waarskynlike effek wat enige nie-nakoming mag hê op die bruikbare bedryfsleef tyd van die betrokke item.

Algemene Onderhoud van Bates

Elke Departementshoof sal direk verantwoordelik wees om te verseker dat alle bates behoorlik onderhou word en op so 'n wyse wat sal verseker dat so item sy bruikbare leeftyd bereik.

16. KORT TITEL

Hierdie beleid sal die Bate Bestuursbeleid van die **Bergrivier Munisipaliteit** genoem word.

AANHANGSEL A

SKEDULE VAN VERWAGTE BRUIKBARE LEEFTYD VAN BATES

	<u>BATE LEEFTYD</u>		<u>BATE LEEFTYD</u>
INFRASTRUKTUUR BATES			
ELEKTRISITEIT:		GAS:	
Kragstasies	30-60	Meters	10-20
Verkoelingstorings	20-30	Hoof toevoer	10-20
Transformator kiosks	20-50	Opgaartenke	10-20
Meters	10-30	Toevoer en retikulasie netwerke	10-50
Ladingsbeheer toerusting	20-30		
Skakelwisselaar gereedskap	20-30	RIOOL:	
Toevoer en retikulasie netwerke	10-50	Riool hoofraam	20-50
Hoof toevoer	10-20	Uitvalwerke	20-50
		Riool suiweringswerke	10-50
PAAIE:		Riool pompe	10-50
Snelweë	10-50	Slik masjiene	10-50
Ander paaie	10-50		
Verkeerseilande	10-50	VOETGANGER PAAIE:	
Verkeersligte	10-20	Voetpaaie	10-30
Straatligte	20-40	Randstene	10-50
Oorhoofse brue	20-50	Plaveisel	10-30
Stormwater dreinerings	20-50		
Brue, duikweë en stormsloot	20-50	LUGHAWES:	
Motor Parkeer Fasiliteite	20-50	Laaiblad	10-20
Bus terminale	10-20	Aanloopbane	10-20
		Rybane	10-20
		Lughawe en radio bakens	20-30
WATER			
Meters	10-20	SEKURITEIT	
Hooflyne	10-20	Omheining	3-10
Regte	20-50	Sekuriteit stelsels	5-10
Toevoer en retikulasie netwerke	20-50	Toegangsbeheer stelsels	5-10
Reservoirs en stoor tenks	20-50		
Pompstasies	10-50	VULLIS	
		Oorlaaistassies	10-50
		Versamelhouers	10-20
GEMEENSKAP BATES		GEMEENSKAP BATES	
REKREASIE FASILITEITE		GEBOU	
Rolbalbane	20-30	Ambulans stasies	20-30
Tennis bane	20-30	Akwariums	20-30
Swembaddens	20-30	Strandontwikkelings	20-30
Golfbane	20-30	Versorging sentrums	20-30
Jukskei blad	20-30	Begraafplase	20-30
Buitehuise sport fasiliteite	20-30	Stadskouburg en gemeenskap sentrums	20-30
Mere en damme	20-30	Klinieke en hospitale	20-30
Fonteine	20-30	Wild reservate en ruskampe	20-30
Spreiligte	20-30	Stadiums en binnehuise sport	20-30
		Museums en gallerye	20-30
		Parke en openbare geriewe	20-30
		Rekreasie sentrums en dieretuine	20-30

SKEDULE VAN VERWAGTE BRUIKBARE LEEFTYD VAN BATES

ANDER BATES		ANDER BATES	
GEBOUE		NOOD TOERUSTING	
Abattoirs	20-30	Ander brandbestrydings toerusting	10-25
Asfalt aanleg	20-30	Ambulanse	5-10
Sweefspoor stasies	20-30	Brandslange	5-10
Karavaan Parke	20-30	Noodligte	5-10
Bioskoop	20-30		
Kompaktering Stasies	20-30	MOTOR VOERTUIE	
Hostelle vir die publiek/toeriste	20-30	Brandweerwaens	5-15
Hostelle vir werknemers	20-30	Busse	5-15
Behuising skemas	20-30	Motor voertuie	5-10
Drooggronde	20-30	Motorfietse	5-10
Laboratoriums	20-30	Trokke en ligte aflewering voertuie	5-10
Markte	20-30		
Kleuterskole	20-30	Vliegtoig	10-15
Kantoor geboue	20-30		
Huise vir bejaardes	20-30	WATERTUIG	5-20
Quarries	20-30		
Stortingsterreine	20-30	PLANTASIE EN TOERUSTING	
Opleidingsentrums	20-30	Padskrapers	10-15
Vervoer fasiliteite	20-30	Trekkers	10-15
Werkswinkels en depots	20-30	Voorhakkers	10-15
		Plaas toerusting	5-10
KANTOOR TOERUSTING		Grassnyers	2-5
Rekenaar hardeware	2-5	Kompressors	5-10
Rekenaar sagteware	2-5	Laboratorium toerusting	5-10
Kantoor masjiene	2-5	Radio toerusting	5-10
Lugversorgers	5-10	Vuurwapens	5-10
		Telekommunikasie toerusting	5-10
MEUBELS EN BYBEHORE		Algemeen	5-10
Stoele	5-10	Sweefspoor karre	10-15
Tafels en lessenaars	5-10	Besproeiing stelsels	10-15
Kabinette en kaste	5-10	Krematoriums	10-15
Diverse	5-10	Draaibanke	10-15
		Masjienerings toerusting	10-15
DROMME EN HOUERS		Vervoerbande	10-15
Huishoudelike vullisdromme	5-10	Voeders	10-15
Grootmaat vullishouers	5-10	Tiptrokke	10-15
		Hamermeule	10-15

GOEDKEURING

Opgedateer en goedgekeur in terme van Raadsbesluit
_____ gedateer _____ wat dit stel,

“Dat die Rekenpligtige Beampte gedelegeer word om die Rekeningkundige-
en Batebestuursbeleide aan te pas in terme van die vereistes van die GRAP
standpunte, wetgewende vereistes of vereistes gestel deur die Ouditeur-
Generaal, wanneer ook al so nodig en dat sulke veranderinge ingesluit word
in die volgende verslag oor die hersiening van begrotings verwante beleide.”

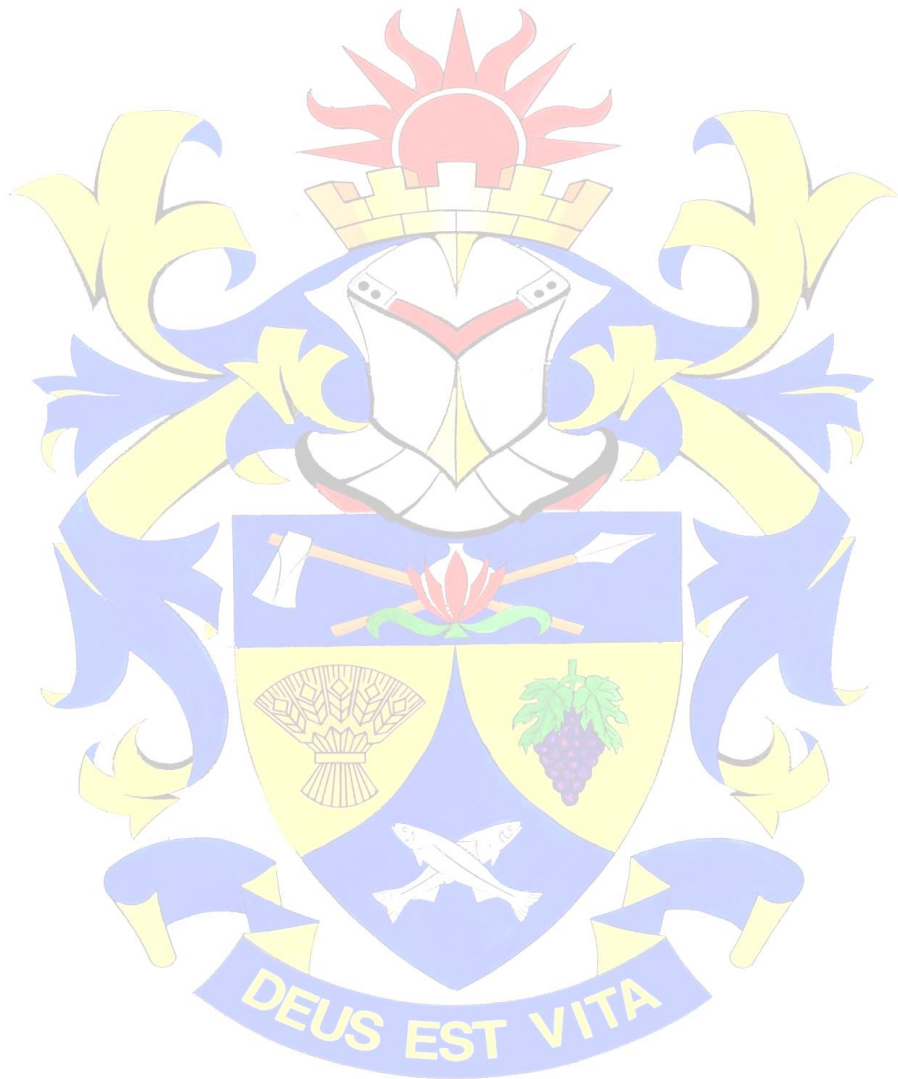
Goedgekeur:

Datum:

Munisipale Bestuurder (Rekenpligtige Beampte)

BERGRIVIER

Munisipaliteit / Municipality



CASH MANAGMENT POLICY

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1. Introduction

- 1.1 As trustees of public funds, the Council has an obligation to ensure that cash resources are managed as effectively as possible
- 1.2 Council has a responsibility to manage and invest public funds with great care and is accountable to the community in this regard.
- 1.3 The cash management, banking and investment policy should be aimed at gaining the highest possible return without undue risk during those periods when surplus cash is not needed. In this regard it is essential to have an effective cash management system.
- 1.4 Relevant legislation must be adhered to at all times and where this policy is in conflict with legislation, the relevant legislation will supersede this policy. It is the responsibility of the Municipal Manager and / or the Chief Financial Officer to bring such conflicts to the attention of the Council immediately when he / she become aware of such situations / circumstances and to propose the necessary amendments to this policy to eliminate any practices contrary to legislation.
- 1.5 This policy is a requirement in terms of the provisions of the Municipal Finance Management Act 56 of 2003 (MFMA).

2. Regulatory Framework

- 2.1 The Municipal Finance Management Act 56 of 2003 (MFMA); and
- 2.2 Treasury regulations in terms of Section 13(1) of the MFMA.

3. Objectives

- 3.1 The objectives of this policy is to:
 - a) Comply with the regulatory framework in terms of the relevant legislation;
 - b) To ensure that the investment of surplus funds forms part of the financial system of the municipality;
 - c) To manage Council's investments within its strategic objectives and invest surplus cash in liquid and creditworthy approved institutions;

- d) To ensure that prudent investment procedures are consistently applied;
- e) To raise appropriate finance, whilst recognising maturity and interest rates, in accordance with budgetary requirement;
- f) To manage the overall cash position of Council's operations;
- g) To ensure that the municipality's bank account(s) are effectively managed and accounted for;
- h) To ensure that receipts of revenue are adequately safeguarded and accounted for; and
- i) To ensure that, overall, an effective cash management plan is established and adhered to at all times.

4. Definitions

4.1 For the purpose of this policy, the following words will be defined as follows:

MFMA	Municipal Finance Management Act 56 of 2003
SMME	Small, medium and Micro Enterprises as defined in the National Small Business Act as a separate and distinct business entity, including non-governmental organisations, with less than 200 employees and an annual turnover of less than R10 million.
EFT	Electronic Funds Transfer

5. Cash Management

Adequate and effective cash management is one of the main functions of the Accounting Officer.

5.1 Debtor Collections

- 5.1.1 All monies due to the municipality must be collected as soon as possible and banked on a daily basis, if practically possible. Cash left in the safe can pose a security risk, could necessitate additional insurance coverage and does not earn any interest. Special deposits should be arranged for larger amounts to make sure this is banked

on the same day that it is received.

5.1.2 All monies due to the municipality must be correctly reflected in the debtor system. The following control measures are necessary:

- a) A well managed debtors and banking control system will ensure that funds owed to the municipality are received and banked;
- b) A review of debt collection performance by comparing the debtors outstanding in relation to total turnover and comparing this to previous financial years.
- c) All monies collected by the municipality must be banked in the primary bank account of the municipality or a designated bank account in the municipality's name (i.e. a designated revenue account).
- d) Monies collected by other agency on behalf of the municipality shall be paid over to the municipality daily and deposited in the bank account of the municipality.

5.2 Payment to Creditors

5.2.1 The Chief Financial Officer shall ensure that all tenders and quotations invited by and contracts entered into by Bergrivier Municipality stipulate payment terms favourable to Bergrivier, that is, payment to fall due not sooner than the conclusion of the month following the month in which a particular service is rendered to or goods are received by Bergrivier. This rule shall be departed from only where there are financial incentives for the municipality to effect earlier payment, and any such departure shall be approved by the Chief Financial Officer or his/her delegate, before any payment is made.

5.2.2 In the case of small, micro and medium enterprises (SMME's), where such a policy may cause financial hardship to the contractor, payment may be effected at the conclusion of the month during which the service is rendered or within fourteen days of the date of such service being rendered, whichever is the later. Any such early payment shall be approved by the Chief Financial Officer or his/her delegate, before any payment is made.

5.2.3 Special payments to creditors shall only be made with the express approval of the Chief Financial Officer or his/her delegate, who shall be satisfied that there are compelling reasons for making such payments prior to the normal processing.

- 5.2.4 To reduce bank costs with regard to cheque payments it is essential to limit the payment of creditors to one payment per creditor per month if possible and to make use of electronic transfer facilities, subject to strict control measures.
- 5.2.5 When considering the timing of payments to creditors, proper consideration must be given to the conditions of credit / terms of payment offered. In cases where a cash discount is offered for early settlement, the discount, if the relevant time scale is taken into account, will in most cases be more than any investment return from temporarily investing the funds. If discounts are therefore offered for early settlement, they should be assessed and utilised if beneficial.
- 5.2.6 In addition, the normal conditions of credit / terms of payment offered by suppliers should be considered and utilised by timing payments so that they are received by the creditor on the due date.

5.3 Receipt of Payments

- 5.3.1 Receipt of money over the counter:
 - a) Every amount of payment received by a cashier or other officer responsible for the receipt of money shall be acknowledged at once by the issue of a **pre-numbered official receipt** or computer generated official receipts; and
 - b) Every receipt form, which is cancelled, will be reattached, in the correct place, in the receipt book and indicated as cancelled. Where computer generated receipts are used, the original receipt must be filed for audit purposes.
- 5.3.2 Receipt of money by post
 - a) When money (including postal orders and cheques) is received with the Council's mail, the Registry Clerk shall record all payment remittances as and when received in the cheque register in the presence of a witness. Post-dated cheques received in the Council's mail must also be recorded in the cheque register. The cheque register shall be regarded as the register of remittances received by post;
 - b) The cheque register together with all remittances received must be sent to a designated official in the finance section;
 - c) The designated official, on receipt of the cheque register together

with the remittances, will code all remittances and submit it to the cashier for receipting;

- d) The cashier will receipt all remittances and issue official receipts to the designated official;
- e) The designated official will record all receipts in the cheque register and return same to registry. The Registry Clerk must ensure that all receipts are recorded in the cheque register;
- f) All documents relating to remittances received in the mail must be filed for audit purposes;
- g) A separate register for post dated cheques will be maintained by the registry strong-room; and the Registry Clerk will ensure that all post-dated cheques, which become due, are sent promptly to the designated official for receipting and recording of receipts in the post-dated cheque register.

5.4 Debt

The municipality may only incur debt in terms of Chapter 6, sections 45 and 46, of the MFMA. The municipality may incur two types of debt, namely short term and long-term debt.

5.4.1 Short Term Debt

The municipality may incur short-term debt only when necessary to bridge:

- i. Short falls within a financial year during which the debt is incurred, in expectation of specific and realistic anticipated income to be received within that financial year;

OR

- ii. Capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long-term debt commitments.

5.4.2 Long Term Debt

The municipality may incur long-term debt only for the purpose of:

- i. Capital expenditure on property, plant or equipment to be used for the purpose of achieving the objects of local government as set

out in section 152 of the Constitution. section 152 of the Constitution states that the objects of local government are:

- ➔ to provide a democratic and accountable government for local communities;
 - ➔ to ensure the provision of services to communities in a sustainable manner;
 - ➔ to promote social and economic development;
 - ➔ to promote a safe and healthy environment; and
 - ➔ to encourage the involvement of communities and community organisations in the matters of local government.
- ii. Refinancing existing long-term debt is subject to the conditions of subsection (5) of section 46 of the MFMA as set out below:
- ➔ the existing long-term debt was lawfully incurred;
 - ➔ the re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed;
 - ➔ the net present value of projected future payments (including principal and interest payments) after re-financing is less than the net present value of projected future payments before re-financing; and
 - ➔ the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

6. Banking

6.1 The primary bank account

- 6.1.1 In terms of section 7(1) of the MFMA, the municipality must open and maintain at least one bank account in its name. All money received by the municipality must promptly be paid into its bank account or accounts. The municipality may not open a bank account abroad, with an institution that is not registered as a bank in terms of the Banks Act 94 of 1990, or otherwise than in the name of the municipality.

- 6.1.2 The municipality must have a primary bank account. If the municipality only has one bank account, that account is its primary bank account. However, if the municipality has more than one bank account, it must designate one of its bank accounts as the primary bank account.
- 6.1.3 The Municipal Manager must submit to the National Treasury, Provincial Treasury and the Auditor-General, in writing, the name of the bank where the primary bank account of the municipality is held and the type and number of the account.
- 6.1.4 If the municipality decides to change its primary bank account, it may do so only after the Municipal Manager has informed the National Treasury, Provincial Treasury and the Auditor-General, in writing, at least 30 days before effecting the change.
- 6.1.5 The following monies must be deposited into the municipality's primary bank account:
- i. All allocations to the municipality, including those made to it for transmission to an external service-delivery mechanism assisting the municipality in the performance of its functions;
 - ii. All income received by the municipality on its investments;
 - iii. All income received by the municipality in connection with its interest in any municipal entity, including dividends;
 - iv. All money collected by an external-delivery mechanism on behalf of the municipality and
 - v. Any other monies as the Minister of Finance may prescribe by regulation.
- 6.1.6 The transfer of an allocation of money by another organ of state in the national, provincial or local sphere of government to the municipality must be made through the municipality's primary bank account.

6.2 Administration

- 6.2.1 Section 9 of the MFMA requires that the Municipal Manager must submit to the Provincial Treasury and the Auditor-General, in writing, at least 90 days after the municipality has opened a new bank account, the name of the bank where the account has been opened, and the type and number of the account.

- 6.2.2 Annually before the start of a financial year, the name of each bank where the municipality holds a bank account, and the type and number of each account must be submitted, in writing, to the Provincial Treasury and the Auditor-General.
- 6.2.3 The Municipal Manager must administer all the municipality's bank accounts and is accountable to the Council for the municipality's bank accounts, but may delegate these duties to the Chief Financial Officer.

6.3 Withdrawal of funds

- 6.3.1 In terms of section 11(1) of the MFMA, only the Municipal Manager, the Chief Financial Officer or another senior financial official acting on written authority from the Municipal Manager, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts.
- 6.3.2 Money may be withdrawn from the municipality's bank accounts only:
 - i. To defray expenditure appropriated in terms of an approved budget;
 - ii. To defray expenditure authorised by the MEC for finance if the municipality has failed to approve a budget before the end of the financial year, until a budget is approved;
 - iii. To defray unforeseeable and unavoidable expenses for which no provision has been made in the budget that was authorised by the councillor responsible for financial matters in emergency or other exceptional circumstances;
 - iv. In the case of a bank account opened for the purpose of a relief, charitable or trust fund established by the Council, to make payments from the account for the purpose for which the fund was established;
 - v. To pay over to a person or organ of state money received on behalf of that person or organ of state, including money collected by the municipality on behalf of that person or organ of state by agreement or any insurance or other payments received by the municipality for that person or organ of state;
 - vi. To refund money incorrectly paid into a bank account;

- vii. To refund guarantees, sureties and security deposits;
- viii. For cash management and investment purposes in accordance with this policy;
- ix. To defray increased expenditure in terms of section 31 of the MFMA; and
- x. For such other purposes as may be described, including emergency purposes, as may be prescribed by regulation, instruction or guidelines issued by the National Treasury.

6.3.3 The Municipal Manager may not authorise any official other than the Chief Financial Officer to withdraw money or to authorise the withdrawal of money from the municipality's primary bank account if the municipality's primary bank account is separate from its other bank accounts.

6.3.4 The Municipal Manager must, within 30 days after the end of each quarter, table a consolidated report of all withdrawals made in terms of paragraph 6.3.2 (ii) to (x) during that quarter to Council and submit a copy of the report to the Provincial Treasury and the Auditor-General.

6.4 Relief, Charitable and Trust Funds

6.4.1 In terms of section 12 of the MFMA, no political structure or office-bearer of a municipality may set up a relief, charitable, trust or other fund of whatever description except in the name of the municipality. Only the municipal manager may be the Accounting Officer of any such fund.

6.4.2 A municipality may in terms of section 7 of the MFMA open a separate bank account in the name of the municipality for the purpose of a relief, charitable, trust or other fund.

6.4.3 Money received by the municipality for the purpose of a relief, charitable, trust or other fund must be paid into a bank account of the municipality, or if a separate bank account has been opened in terms of 6.4.2 above, into that account.

6.4.4 Money in a separate account opened, in terms of 6.4.2 above, may be withdrawn from the account without appropriation in terms of an approved budget, but only:

- i. by or on the written authority of the accounting officer acting in accordance with decisions of the municipal council; and

- ii. for the purposes for which, and subject to any conditions on which, the fund was established or the money in the fund was donated.

6.5 Banking Arrangements

- 6.5.1 The Municipal Manager is responsible and accountable for the management of the municipality's bank account(s). The Municipal Manager may delegate such functions, duties and powers in relation to the management of the municipality's bank account(s) as may be necessary for the effective and efficient administration thereof.
- 6.5.2 The Municipal Manager may sign any document, relating to the management of the municipality's bank account(s), provided that under no circumstances shall only one person sign a cheque of the municipality.
- 6.5.3 The Chief Financial Officer will identify from time to time employees who can sign cheques on behalf of the municipality. A minimum of two employees must sign cheques.
- 6.5.4 In compliance with the requirements of good governance, the Municipal Manager may request to open a separate bank account for:
 - i. Ordinary operating purposes;
 - ii. The external finance fund;
 - iii. The asset financing fund;
 - iv. Capital receipts in the form of grants, donations or contributions from whatever source; and
 - v. Any other reserves as per Funding and Reserves Policy.
- 6.5.5 In determining the number of accounts to be maintained, the Municipal Manager, in consultation with the Chief Financial Officer, shall consider the following:
 - i. The likely number of transactions affecting each of the accounts referred to;
 - ii. The cost of maintaining more than one bank account;

- iii. The capacity of the Directorate: Financial Services to perform the accounting functions relevant to bank accounts.

6.5.6 Unless there are compelling reasons to do otherwise and the Council expressly so directs, the Municipality's bank accounts shall be maintained with the same banking institution to ensure the pooling of balances for purposes of determining the interest payable to the municipality on any credit balance.

6.5.7 The Municipal Manager shall invite bids for the placing of the municipality's bank accounts in accordance with the Supply Chain Management Policy. Any new banking arrangements shall take effect from the first day of the financial year ensuing after the bid has been awarded. However, the Municipal Manager may invite such tenders at any earlier stage, if he/she, after consultation with the Chief Financial Officer, is of the opinion that the services offered by the municipality's current banking institution(s) are materially defective or not cost-effective.

6.6 Collection and Banking of Revenue

6.6.1 The Municipal Manager must implement and enforce the municipality's credit control and debt collection policy and by-laws and establish effective administrative mechanisms, processes and procedures to collect money that is due to the municipality. All monies due to the municipality must be collected as soon as possible, either before or on the due date.

6.6.2 The Directorate: Financial Services must receive all payments. No cash payment may be accepted unless an official receipt can be issued immediately.

6.6.3 The Chief Financial Officer must ensure that all monies received by any department other than the Directorate: Financial Services are regularly paid to his/her department, or alternatively, deposited into the bank account of the municipality designated by the Chief Financial Officer.

6.6.4 All monies received must be deposited in the municipality's bank account(s) not later than the first working day after its receipt.

6.6.5 In respect of monies received at smaller cashiers offices of the municipality (i.e. where receipts are small amounts), the Municipal Manager:

- i. Shall make appropriate arrangements to ensure that all monies received are deposited into the municipality's bank account, as

designated by the Chief Financial Officer, as often as practicably possible, or alternatively, the risk of keeping cash on the premises should be adequately addressed;

6.6.6 Every departmental head must, without delay, notify the Chief Financial Officer in writing of any monies due to the municipality and the reasons why such monies are owed must be explained in such notification. All amounts owing to the municipality must be levied by way of a debit in the applicable debtors system.

6.6.7 The Chief Financial Officer shall ensure that:

- i. All revenues are properly accounted for; and
- ii. The municipality's accounting system recognises revenue when it is earned and accounts for debtors and receipts of revenue.

6.7 Permissible Methods of Payment

6.7.1 A debtor may settle his/her debt with the municipality by:

- i. Cash payment or payment by cheque at a pay point of the municipality;
- ii. Posting of a cheque by prepaid ordinary post to the municipality or postal orders;
- iii. Stop-order in favour of the municipality against his/her bank account; or
- iv. Direct deposit or EFT into the municipality's bank account; or
- v. Credit or Debit Card

6.7.2 In order to reduce the risk of theft and fraud, the Chief Financial Officer shall encourage debtors to effect payment by any method in paragraph 6.7.1 (iv) and (v).

6.7.3 A debtor who settles his/her debt to the municipality using a payment option other than that stipulated in paragraph 6.7.1 (i) shall ensure that his/her account number with the municipality is clearly indicated on any deposit slip or other confirmation of payment issued.

6.8 Receipts

- 6.8.1 The receipt of all monies must immediately be recorded by means of a pre-numbered / system generated official receipt.
- 6.8.2 No alterations shall be made to a receipt or other form of acknowledgement of payment.
- 6.8.3 Any error that appears on a receipt must be corrected by issuing a new receipt and the cancellation of the erroneous one.
- 6.8.4 Every cancelled receipt must be returned to its proper place in the receipt book, or in the absence of a receipt book, file according to the instructions of the Chief Financial Officer.
- 6.8.5 Any cash surplus found at any time must immediately be declared, a receipt issued for the amount of such surplus and deposited without delay into the municipality's bank account.
- 6.8.6 Any cash deficits must immediately be reported and made good in accordance with the instructions of the Chief Financial Officer.

6.9 Security of cash at pay points

- 6.9.1 The municipal manager shall:
 - i. Regularly, in co-operation with the Chief Financial Officer and the Internal Auditor, assess the impact and likelihood of loss to monies received due to theft, robbery or fraud or its destruction; and
 - ii. Implement such measures as may be necessary to reduce the risk of loss through theft, robbery or fraud or its destruction.
- 6.9.2 Nobody shall instruct or permit an employee who is responsible for receiving payments made to the municipality not to comply with any security measures or procedures prescribed by the Municipal Manager in terms of paragraph 6.9.1 (ii).
- 6.9.3 Whenever loss or destruction of monies received occurs, the Chief Financial Officer shall report the loss to the Internal Auditor who shall:
 - i. As soon as practicable after he/she became aware of the matter:

- ➔ Investigate circumstances of the loss or destruction; and
- ➔ Determine the amount of the loss or damage the municipality suffered;
- ii. Take appropriate to:
 - ➔ Recover any loss the municipality may have suffered; and
 - ➔ Prevent a recurrence of the event; and
- iii. In appropriate cases:
 - ➔ Institute disciplinary action; and
 - ➔ Report the matter to the South African Police Services.

6.9.4 An employee who fails or refuses to implement or to comply with any security measures and procedures prescribed by the Municipal Manager in terms of paragraph 6.9.1 (ii) shall be guilty of disciplinary offence. In any disciplinary enquiry pursuant to paragraph 6.9.3 (iii) it shall not be a defence for an employee or a councillor if it is found that he/she did not comply with any security measures or procedures prescribed by the Municipal Manager.

6.10 Unclaimed Deposits

All unclaimed deposits are initially recognised as a liability until 36 months expires, when all unclaimed deposits into the Municipality's bank account will be treated as revenue.

7. Investments

7.1 General

- 7.1.1 Council may only invest surplus funds with deposit taking institutions registered in terms of the Banks Act 94 of 1990, for terms not exceeding one year in anticipation of cash flow expectations. From time to time, with prior Council approval, investments can exceed one year and be made at other institutions/instruments as approved in the National Treasury regulations.
- 7.1.2 The way in which surplus funds and other monies of the Municipality can be invested is controlled in terms of section 13 of the MFMA.

- 7.1.3 Council will only make investments with approved institutions which have an A rating.

7.2 Cash Flow Estimates

- 7.2.1 Before any money can be invested, the Municipal Manager, in consultation with the Chief Financial Officer, has to determine whether there will be surplus funds available. The term of investment should also be investigated to ensure that surplus cash would be invested for the period it is not required.
- 7.2.2 Prior to making investments other than for short-term investments, it is essential that cash-flow estimates be compiled monthly for at least the forthcoming twelve months.
- 7.2.3 When compiling cash-flow estimates on a monthly basis, it is essential that the Municipal Manager / Chief Financial Officer are aware of all expected cash-flow and when it is to take place. The timing with regard to cash outflows should be determined as far as possible by reference to both the operational and the capital budgets.

7.3 Investment Ethics

- 7.3.1 In dealing with financial institutions, the following ethical principles must be observed:
- i. Under no circumstances may inducements to invest be accepted;
 - ii. Interest rates quoted by one institution must not be disclosed to another institution;
 - iii. The business ethics of any controlling body of which the relevant financial institution is a member must be observed by such institution or body at all times.

7.4 Investment Principles

The following guiding principles are to be adhered to in order to facilitate the administration of Council's investment portfolio.

7.4.1 Limit Exposure to a Single Institution:

- i. Investment of funds, where this involves large amounts, should preferable be distributed over more than one institution in order to limit Council's risk exposure.

7.4.2 Risk and Return:

- i. As a general principle, it must be accepted that the greater the return, the greater the risk.

7.4.3 Borrowing for Re-Investment:

- i. Council should refrain from borrowing monies for the purpose of re-investment, as this is tantamount to speculation with public funds.

7.4.4 Nominee Accounts:

- i. All moneys shall be invested directly with the relevant institutions. On no account may moneys be placed in a nominee account.

7.5 General Investment Practice

7.5.1 General

- i. Prior to an investment being made at least three written quotations must be obtained from financial institutions for various forms of investment, investment terms and rates of interest. Acceptance of the above must be governed in order of priority by:
 - ➡ Preservation and safety of principal;
 - ➡ Liquidity;
 - ➡ Yield;
 - ➡ Where appropriate, match dates of repayment of maturing loans.
- ii. Institutions should be advised that, in submitting quotations, they must offer their best rates of interest and that no further negotiation or discussion will be entered into with them after they have submitted their quotation.

7.5.2 Payment of Commission:

- i. A certificate shall be issued in respect of each and every investment made by the financial institution receiving the investment and no payment of any commission or payment in kind will be made to any party in respect of the investment so made.

7.5.3 Internal Investments:

- i. Before planning to invest funds externally, consideration must be given to whether the funds may be utilised at an equivalent rate to substitute external borrowing as there is normally a margin between the rate at which Council may borrow funds and the rate at which investments may be made over similar periods.

7.5.4 Cash at Bank:

- i. When funds are held in a current account, it is a good business practice to operate a call account. The overriding principle is that funds in the current account are to be kept at an absolute minimum.

7.5.5 Credit Worthiness:

- i. Prior to investing in smaller registered financial institutions, the Investment Committee must ensure that the Council is not over-exposed and should satisfy itself as to the credit-worthiness and previous track record of the institution before placing funds.

7.5.6 Control over Investments:

- i. A proper record must be maintained of all investments made indicating at least the institution, fund, interest rate, maturing date and purpose of investment.
- ii. The Chief Financial Officer must retain all quotations received for record and audit purposes.
- iii. Interest must be correctly calculated, received and recorded timeously.
- iv. All investment certificates are to be kept in a securities file which shall be safeguarded in a fire proof safe.
- v. In respect of grant funds, a separate file must be kept of the letter of grant and other pertinent information. Regular reports must be submitted to all grant agencies.
- vi. The Chief Financial Officer must compile and will be responsible for the maintenance of an Investment Register complying with audit requirements.

7.5.7 Reporting

- vii. The Chief Financial Officer should every months submit a report to the Council on the Council's investment portfolio, as in the format prescribed by National Treasury.

BERGRIVIER MUNISIPALITEIT

KREDIETBEHEER & SKULDINVORDERINGSBELEID



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INLEIDING

Ingevolge artikel 96 van die Wet op Plaaslike Regering: Munisipale Stelsels, 2000 moet ‘n Munisipaliteit –

- alle gelde invorder wat aan hom verskuldig en betaalbaar is, behoudens die bepalings van die Wet en enige ander toepaslike wetgewing; en
- vir dié doel, ‘n kredietbeheer- en skuldinvorderingsbeleid aanneem, in standhou en implementeer wat nie strydig is nie met sy eiendomsbelastingbeleid en sy tariefbeleid en wat aan die bepalings van die Wet voldoen.

Ten einde uitvoering te gee aan die voorafgaande bepalings van die Wet het die raad van die Munisipaliteit Bergrivier ‘n kredietbeheer- en skuldinvorderingsbeleid, soos hierna uiteengesit, aanvaar.

HOOFSTUK 1

WOORDOMSKRYWING

1. Vir die doeleindes van hierdie beleidsdokument het enige woord of uitdrukking waaraan ‘n bepaalde betekenis geheg is in die Wet, dieselfde betekenis, tensy uit die samehang anders blyk, en beteken -

“agterstallige bedrae” enige bedrag verskuldig en betaalbaar aan die Munisipaliteit wat nie voor of op die datum van betaling betaal is nie;

“Direkteur: Finansiële Dienste” ‘n persoon wat deur die raad in dié hoedanigheid aangestel is om die raad se finansies te administreer en sluit enige persoon in –

(1) wat in sodanige pos waarneem;

(2) aan wie die Direkteur: Finansiële Dienste ‘n bevoegdheid, funksie of verpligting gedelegeer het ten opsigte van sodanige gedelegeerde bevoegdheid, funksie of verpligting;

“datum van betaling” soos omskryf in paragraaf 6 hiervan ten opsigte van die onderskeie gelde, tariewe en belasting betaalbaar aan die Munisipaliteit;

“eienaar” met betrekking tot onroerende goed--

(1) die persoon by wie die regstitel daarvan berus;

(2) in die geval waar die persoon by wie die regstitel daarvan berus, insolvent of oorlede is, of aan enige vorm van wetlike diskwalifikasie onderhewig is, dié persoon in wie die administrasie of beheer van sodanige onroerende goed berus as kurator, trustee, eksekuteur, administrateur, geregtelike bestuurder, likwidateur of enige ander wetlike verteenwoordiger;

- (3) in enige geval waar die raad nie in staat is om die identiteit van so 'n persoon te bepaal nie, 'n persoon wat geregtig is op die voordelige gebruik van sodanige onroerende goed;
- (4) in die geval van onroerende goed waarvoor 'n huurooreenkoms van 30 jaar of langer aangegaan is, die huurder daarvan;
- (5) met betrekking tot –
 - (i) 'n gedeelte grond afgebaken op 'n deeltitelplan en wat geregistreer is ingevolge die Wet op Deeltitels, 1986 (Wet No. 95 van 1986), die ontwikkelaar of die bestuursliggaam ten opsigte van die gemeenskaplike eiendom;
 - (ii) 'n gedeelte grond soos gedefinieer in dié Wet, die persoon in wie se naam dié gedeelte geregistreer is ingevolge 'n deeltitelakte, insluitende die wettige aangestelde verteenwoordiger van sodanige persoon;
- (6) enige regspersoon insluitende, maar nie beperk tot:
 - (i) 'n maatskappy geregistreer ingevolge die Wet op Maatskappye, 1973 (Wet No 61 van 1973), 'n trust *inter vivos*, trust *mortis causa*, 'n beslote korporasie geregistreer ingevolge die Wet op Beslote Korporasies, 1984 (Wet No 69 van 1984), en 'n vrywillige assosiasie;
 - (ii) enige staatsdepartement;
 - (iii) enige raad of bestuursliggaam ingestel ingevolge enige wetgewing van toepassing in die Republiek van Suid-Afrika; en
 - (iv) enige ambassade of ander buitelandse entiteit;

“hulpbehoewende huishouding” 'n huishouding wat as sulks by die Munisipaliteit geregistreer is en wat –

- (1) aan die kwalifikasie vereistes soos bepaal in paragraaf 21 hiervan, voldoen;
en
- (2) 'n perseel binne die regsgebied van die Munisipaliteit okkupeer;

“Munisipale Bestuurder” die persoon wat deur die raad in dié hoedanigheid aangestel is ingevolge artikel 82 van die Wet op Plaaslike Regering: Munisipale Strukture Wet No 117 van 1998 en sluit enige persoon in –

- (1) wat in sodanige pos waarneem;
- (2) aan wie die Munisipale Bestuurder 'n bevoegdheid, funksie of verpligting gedelegeer het ten opsigte van sodanige gedelegeerde bevoegdheid, funksie of verpligting;

“munisipale dienste” die voorsiening van water, die voorsiening van elektrisiteit, die verwydering van huisvuil, die wegdoen van rioolvuil of enige een of kombinasie van dié dienste;

“Munisipaliteit” die Munisipaliteit Bergrivier

“perseel” enige gedeelte grond, geleë binne die regsgebied van die munisipaliteit, waarvan die buite grense afgebaken is op:

- (1) ‘n algemene plan of diagram wat geregistreer is ingevolge die Opmetingswet, 1927 (Wet no 9 van 1927) of die Registrasie van Aktes Wet, 1937 (Wet no 47 van 1937) of;
- (2) ‘n deeltitelplan geregistreer ingevolge die Wet op Deeltitels, 1986 (Wet no 95 van 1986);

“raad” die munisipale raad van die Munisipaliteit Bergrivier

“rekening” sluit in-

- (1) heffings, bobelasting of dienstegelde ten opsigte van die volgende dienste:
elektrisiteitsverbruik;
waterverbruik;
vullisverwydering;
riool dienste;
- (2) eiendomsbelasting;
- (3) huurgeld;
- (4) lenings paaielemente;
- (5) rente op agterstallige bedrae;
- (6) enige ander heffings en gelde wat regtens aan die Munisipaliteit verskuldig is;

en het **die “munisipale rekening”** ‘n ooreenstemmende betekenis;

“standaard rentekoers” ‘n rentekoers wat een persent hoër is as die rentekoers wat die Munisipaliteit aan sy bank moet betaal ten opsigte van ‘n oortrekking;

“Wet” die Wet op Plaaslike Regering: Munisipale Stelsels, 2000 (Wet 32 van 2000) soos van tyd tot tyd gewysig;

HOOFSTUK 2

KLIËNTESORG EN – BESTUUR

2.1 KOMMUNIKASIE EN DIE OORDRA VAN INLIGTING

2.1.1 Ten einde uitvoering aan die bepalings van artikel 95(a), (b) en (c) van die Wet te gee, sal die Munisipaliteit alles binne sy vermoë doen om –

- ‘n kliëntediensforum daar te stel waar verteenwoordigers van die gemeenskap en lede van die raad mekaar kan ontmoet;
- wyksvergaderings te hou waar verteenwoordigers van die Munisipaliteit en ander diensverskaffers met wykslede en hul wyksraadslid kan beraadslaag;
- sorg te dra dat gebruikers van munisipale dienste en/of enige ander diens, belastingbetalers en inwoners in die algemeen, behoorlik ingelig word met betrekking tot dienslewering en in besonder die koste van verskaffing van dienste.

Om dié oogmerke te bereik -

- sal daar, onder meer, gedurende die begrotingsproses openbare vergaderings belê word waarby politieke partye, belastingbetalers- en inwonersverenigings, gemeenskapsorganisasies, sakekamers, die publiek in die algemeen en enige ander belanghebbende partye betrek sal word en waartydens begrotingsprioriteite, -beginsels en –raamwerke ontleed en bespreek sal word;
- sal daar van tyd tot tyd behoefte-identifisering werkswinkels in wyke gehou word met die doel om-
 - (1) die behoeftes in die wyke wat wettiglik die verantwoordelikheid van die Munisipaliteit is, te identifiseer;
 - (2) die gemeenskap by die prioritisering van sodanige behoeftes te betrek;
 - (3) die gemeenskap te betrek by die Munisipaliteit se beplanning van projekte en wat die Munisipaliteit doen en wat ander regeringsvlakke doen; en
 - (4) gemeenskappe in te lig wat die vlakke van betaling en nie-betaling in so ‘n wyk is ten opsigte van Munisipale dienste, belastings en ander gelde verskuldig aan die Munisipaliteit en om strategieë in dié verband te bepaal.
- sal daar nadat die konsepbegroting opgestel is, verdere openbare vergaderings gehou word om die implementering van tariewe en die wyse waarop die begroting aangewend sal word, bespreek word;
- sal wyksraadslede aangemoedig word om gereelde wyksvergaderings te hou waar, onder meer, in besonder aandag verleen sal word aan klantesorg- en skuld-kwessies.

2.1.2 Ander metodes van kommunikasie sal insluit-

- die gebruik van munisipale rekeninge as 'n hoogs effektiewe metode van kommunikasie om allerhande soort inligting oor te dra;
- die verspreiding van 'n kwartaallikse nuusbrieff waarin prominensie verleen sal word aan klantesorg- en skuldkwessies;
- aanmoediging van die openbare pers om prominensie te verleen aan die Munisipaliteit se klantesorg- en skuldkwessies en om die pers aan te moedig om raadsvergaderings by te woon waar hierdie kwessies bespreek word.
- Elektroniese diens kan gebruik word om inligting aan verbruikers deur te gee

2.2 METING VAN MUNISIPALE DIENSTE

2.2.1 Die Munisipaliteit sal op 'n deurlopende grondslag sorg dat elektriese energie en water wat aan verbruikers voorsien word, deur middel van akkurate en verifieerbare metingstelsels gemeet word soos en wanneer hierdie dienste gelewer word.

2.2.2 Meters sal sover as wat moontlik is, met tussenposes van een maand gelees word.

2.2.3 Indien 'n perseel waarop metertoerusting geïnstalleer is, gesluit is, of vir welke rede ook al ontoeganklik is vir die beampte wat verantwoordelik daarvoor is om die meters te lees, sal die Munisipaliteit geregtig wees om 'n rekening gebaseer op die geskatte gebruik, soos deur die Direkteur: Finansiële Dienste geskat, aan die verbruiker te lewer.

2.2.4 Waar 'n meter geïnstalleer is, word beskou dat 'n persoon van die elektriese energie of die hoeveelheid water voorsien is wat deur die meter geregistreer word; met dien verstande dat vir die tydperk wat 'n meter buite werking is, die elektriese energie of die water gelewer aan so 'n persoon bereken sal word op die grondslag van die gemiddelde hoeveelheid wat onafgebroke gelewer is vir die drie maande wat die voormelde tydperk voorafgaan.

2.2.5 Waar 'n verbruiker vir 'n geskatte verbruik ooreenkomstig paragraaf 2.2.3 aangeslaan word, moet die verskil tussen werklike verbruik en die geskatte verbruik verreken word sodra 'n gemeterde lesing verkry is.

2.2.6 Indien 'n verbruiker verlang dat 'n spesiale meterlesing geneem word, kan so 'n lesing verkry word teen betaling van 'n voorgeskrewe tarief.

2.3 MUNISIPALE REKENINGE

Die Munisipaliteit sal sover as wat dit moontlik is, verseker dat 'n persoon wat aanspreeklik is vir betaling van munisipale dienste en eiendomsbelasting, akkurate rekenings op 'n maandelikse grondslag kry, waarop die volgende besonderhede aangedui word:

- alle bedrae uitstaande en die balanse oorgedra;
- bedrae verskuldig;
- totale bedrag betaalbaar;
- meterlesing.

2.4 NAVRAE, APPÈLLE EN DIENSKLAGTES

- 2.4.1 Indien 'n persoon oortuig is dat sy of haar rekening vir munisipale dienste onakkuraat is, kan hy of sy 'n versoek aan die Munisipaliteit rig om sodanige rekening te hersien.
- 2.4.2 Geldige redes moet aangevoer waarom verbruiker dink rekening is onakkuraat
- 2.4.3 Betaling van toetsfooi vir meter apparaat moet gemaak word alvorens daar enige verdere stappe geneem kan word (Waar die metingsapparaat in twyfel getrek word)
- 2.4.4 In die tussentyd moet die persoon 'n bedrag betaal wat gelyk is aan die gemiddelde verbruik vir die voorafgaande drie maande, waar die geskiedenis van sodanige rekening beskikbaar is. Waar geen sodanige geskiedenis beskikbaar is nie, moet die betrokke persoon 'n geskatte bedrag, soos deur die Direkteur: Finansiële Dienste bepaal, voor die betaaldatum betaal en totdat die aangeleentheid opgelos is.
- 2.4.5 Die betrokke afdeling in die Munisipaliteit moet binne een maand vanaf datum van ontvangs van so 'n versoek, die aangeleentheid ondersoek en die betrokke persoon van die uitslag van so 'n ondersoek verwittig.
- 2.4.6 Versuim om voor of op datum van betaling die bedrag soos by paragraaf 2.4.4 bepaal te vereffen, stel so 'n persoon daaraan bloot dat sy elektrisiteit- en/of watervoorsiening afgesluit sal word.
- 2.4.7 'n Persoon mag appèl aanteken teen die bevinding van die Munisipaliteit waarna in paragraaf 2.4.5 verwys word.
- 2.4.8 'n Appèl ingevolge paragraaf 2.4.7 moet gemaak en aan die Munisipale Bestuurder besorg word binne 21 dae nadat die appellant bewus geword het van die bevinding waarna in paragraaf 2.4.5 verwys word en moet –
- (1) die redes uiteensit vir die appèl, en
 - (2) indien toepaslik die gelde insluit wat deur die Munisipaliteit vasgestel is vir die toets van 'n meettoestel.

2.5 BETAALFASILITEITE

- 2.5.1 Die Munisipaliteit sal strategies geleë toeganklike betaalkantore en kassiers-betaalpunte regoor sy regsgebied voorsien en in stand hou in aggenome die beskikbaarheid van publieke vervoer asook konsentrasie van verbruikers en afstand vanaf naaste betaalpunt en kostes daaraan verbonde.

2.5.2 Die Munisipaliteit kan enige alternatiewe metodes van betaling ondersoek en implementeer om betalings meer toeganklik te maak vir die publiek

2.5.3 Waar gebruik gemaak word van alternatiewe betaalfasiliteite, rus die onus op die persoon wat van sodanige fasiliteite gebruik maak om bewys van betaling te lewer en aanvaar die Munisipaliteit nie aanspreeklikheid vir nie-ontvangs van sodanige betalings of vir foutiewe toewysings indien sodanige foutiewe toewysings te wyte is aan die nalate van sodanige persoon.

2.5.4 Die munisipaliteit erken betalings (elektroniese oorplasinge/direkte deposito's) wanneer dit verskyn op die Raad se bankrekening voor/op die betaaldatum.

2.5.5 Waar betaling van gelde verskuldig by wyse van 'n direkte deposito op die Munisipaliteit se goedgekeurde bankrekening gedoen word, rus die onus op die skuldenaar om die Munisipaliteit nie later nie as die datum van betaling van sodanige gelde soos beoog by paragraaf 6.2 hiervan skriftelik of per faksimilee van sodanige deposito te verwittig.

2.6 TOEWYSING VAN INKOMSTE

Ooreenkomstig artikel 102 van die Wet mag 'n Munisipaliteit-

- Alle dienste op 'n munisipale rekening konsolideer, en dienste staak waar enige diens op die rekening uitstaande is;
- enige afsonderlike rekenings van persone wat vir betalings aan die Munisipaliteit aanspreeklik is, konsolideer; en
- 'n betaling deur so 'n persoon krediteer teen enige rekening van daardie persoon.

Betalings wat deur die Munisipaliteit ontvang word, sal derhalwe in die volgende orde van voorkeur toegewys word:-

- (1) rente op agterstallige bedrae;
- (2) betalings wat ingevolge 'n ooreenkoms aan die Munisipaliteit in maandelikse paaielemente afbetaal word;
- (3) rioolgelde;
- (4) huurgelde ten opsigte van behuising en ander hure ;
- (5) leningterugbetalings;
- (6) diverse gelde en heffings;
- (7) vullisverwyderingsgelde;
- (8) water;
- (9) elektrisiteit;
- (10) beskikbaarheidsgelde;
- (11) eiendomsbelasting.

HOOFSTUK 3

KREDIETBEHEER- EN SKULDINVORDERINGSMAATREËLS

3. AANSOEK VIR MUNISIPALE DIENSTE

- 3.1 Niemand sal geregtig wees op toegang tot Munisipale dienste of mag Munisipale dienste gebruik of daarvan gebruik maak nie, tensy aansoek op 'n voorgeskrewe vorm, ~~hierby aangeheg as Bylae A~~, gedoen is en die Munisipaliteit sodanige aansoek goedgekeur het nie.
- 3.2 Indien munisipale dienste, by die inwerkingstelling van hierdie beleid of te enige ander tyd, voorsien word terwyl geen geskrewe ooreenkoms vir die voorsiening daarvan bestaan nie, sal dit geag word dat –
- (1) 'n ooreenkoms ooreenkomstig die bepalinge van paragraaf 3.6 wel bestaan; en
 - (2) die standaard of vlak van diens wat aldus gelewer word die standaard of vlak van diens te wees wat die verbruiker of die persoon wat daarvan gebruik maak, verkies;
- tot tyd en wyl die Munisipaliteit en die betrokke persoon 'n ooreenkoms soos beoog by paragraaf 3.1 aangegaan het.
- 3.3 Die Munisipaliteit moet by ontvangs van 'n aansoek vir die voorsiening van munisipale dienste, die betrokke aansoeker in kennis stel van die verskillende vlakke of standaarde van dienste en die toepaslike tariewe en/of gelde betaalbaar ten opsigte van elke vlak van diens.
- 3.4 Die Munisipaliteit sal slegs verplig wees om 'n spesifieke vlak van 'n munisipale diens wat versoek word, te voorsien indien dit reeds in normale loop van sake deur die Munisipaliteit gelewer word en dan slegs indien die Munisipaliteit oor die middele en die kapasiteit beskik om sodanige vlak van 'n diens te voorsien.
- 3.5 'n Persoon mag te enige tyd aansoek doen om die vlak van 'n Munisipale diens, waartoe oorspronklik by ooreenkoms ooreengekom is, te verander, met dien verstande dat die vlak van diens wat versoek word, beskikbaar is en dat die koste en uitgawe verbonde aan die verandering van die vlak van sodanige diens deur die aansoeker betaal word.
- 3.6 Die aansoekvorm waarna in paragraaf 3.1 verwys word, behoorlik voltooi en onderteken deur die aansoeker en die Munisipaliteit se goedkeuring daarvan sal 'n bindende ooreenkoms tussen die Munisipaliteit en sodanige aansoeker uitmaak en sal in werking tree op die datum aangedui op sodanige vorm.
- 3.7 By voltooiing van 'n aansoekvorm vir munisipale dienste, sal die Munisipaliteit seker maak dat die dokument en die proses van interaksie met die eienaar, verbruiker of enige ander persoon wat aldus aansoek doen, deur sodanige persoon verstaan word en sal hy of sy bewus gemaak word van die opsie om as hulpbehoewende huishouding te registreer.

3.8 In die geval van 'n ongeletterde of 'n dienooreenkomstig gestremde persoon, sal die Munisipaliteit die nodige stappe neem om seker te maak dat die persoon bewus is van en die inhoud van 'n aansoekvorm begryp en dat hy of sy bygestaan word met die voltooiing daarvan.

3.9 Indien die Munisipaliteit –

- (1) 'n aansoek vir die voorsiening van munisipale dienste of 'n spesifieke diens of vlak van 'n diens, weier;
- (2) nie in 'n posisie is om sodanige munisipale diens of vlak van 'n diens op die datum waarop dit versoek word, te lewer nie;
- (3) nie in 'n posisie is om hoegenaamd sodanige munisipale diens of vlak van 'n diens te lewer nie;

sal die Munisipaliteit binne 'n redelike tyd, die aansoeker verwittig van sodanige weiering of onvermoë om die diens te lewer, die redes daarvoor en indien van toepassing wanneer die Munisipaliteit in 'n posisie sal wees om sodanige munisipale diens of 'n spesifieke diens of vlak van 'n diens, te lewer.

3.10 Indien 'n aansoeker 'n uitstaande bedrag het wat verskuldig en betaalbaar aan die munisipaliteit is, moet die agterstallige betaal word; of 'n ooreenkoms vir die betaling van agterstallige bedrag moet gesluit word met die munisipaliteit voordat 'n aansoek om dienste goedgekeur kan word.

4. AANSPREEKLIKHEID VIR BETALING VAN GELDE VERSKULDIG EN BETAALBAAR AAN DIE MUNISIPALITEIT

4.1 Die persoon aanspreeklik vir die betaling van gelde verskuldig en betaalbaar aan die Munisipaliteit sal in die gevalle hierna vermeld, soos volg wees:

- (1) eiendomsbelasting – die **geregistreeerde eienaar** van die perseel waarop dit betrekking het;
- (2) **munisipale dienste – vanaf 1 Julie 2016 sal geen dienste rekening meer deur 'n huurder geopen kan word nie. Alle dienste heffings sal vir die rekening van die eienaar wees. Nieteenstaande bogenoemde kan die munisipaliteit steeds op eie diskresie dienskontrakte sluit met huurders. Aansoeke sal op meriete oorweeg word.**
- (3) **Huidige dienskontrakte met huurders sal voortgaan tot datum van diensbeeindiging, of eerste wanbetaling, watter ookal eerste plaasvind.**
- (4) **Met die sluit van die dienskontrak aanvaar die verbruiker enige koste wat gehef mag word wanneer die rekening laat betaal word, ingesluit rente.**
- (5) die verbruiker of die persoon aan wie die diens gelewer is, met dien verstande dat indien die eienaar nie die verbruiker of die persoon is aan wie munisipale

dienste gelewer is nie en die Munisipaliteit redelike stappe geneem het om bedrae verskuldig deur so 'n verbruiker of persoon te verhaal en sodanige bedrae nie kon verhaal nie, sal die eienaar van sodanige perseel aanspreeklik wees vir betaling van die bedrae verskuldig en betaalbaar deur so 'n verbruiker of persoon aan die Munisipaliteit, in terme van Artikel 118(1) van die Munisipale Stelsels Wet;

- (6) huurgeld ten opsigte van die verhuring van staatsgefinansierde behuising en ander munisipale eiendom – die persoon met wie die huuroorenkoms aangegaan is en ingeval geen huuroorenkoms aangegaan is nie, die persoon wat aansoek gedoen het om die verhuurde eiendom te huur, of indien geen sodanige persoon geïdentifiseer kan word nie, die hoof van die huishouding wat so 'n perseel okkupeer of enige ander persoon wat verantwoordelikheid aanvaar vir die betaling van huurgeld verskuldig, hetsy so 'n persoon die perseel okkupeer al dan nie;
- (7) terugbetaling van behuisingslenings – die persoon of persone met wie 'n leningsoorenkoms of skuldakte gesluit is;
- (8) enige ander dienste, die persoon aan wie sodanige dienste gelewer is.

4.2 Waar 'n maatskappy, trust, beslote korporasie of 'n bestuursliggaam ingevolge die Wet op Deeltitels, 1986 (Wet No 95 van 1986) –

- die eienaar is van onroerende eiendom en/of;
- die aansoeker ingevolge paragraaf 3.1 is vir die lewering van munisipale dienste en sodanige dienste inderdaad gelewer word of gelewer is;

sal die verpligting van sodanige entiteit vir betaling van eiendomsbelasting op onroerende eiendom en/of enige bedrae verskuldig ten opsigte van munisipale dienste, uitgebrei word na die direkteure, trustees of lede daarvan wie as sulks gesamentlik en afsonderlik aanspreeklik sal wees.

4.3 Waar 'n rekening nie ten volle vereffen word nie, sal enige mindere bedrag wat aangebied en deur die Munisipaliteit aanvaar word, nie geag word as volle en finale vereffening van sodanige rekening te wees nie, tensy die Munisipale Raad skriftelik die betaling van so 'n mindere bedrag aanvaar het as volle en finale vereffening van die betrokke rekening. Aansoeke sal op meriete hanteer word.

4.4 Die Munisipale Bestuurder het die reg om enige skuld van 'n huurder oor te plaas na die rekening van die eienaar van dieselfde eiendom, soos vervat in Art 118(3) van die Munisipale Stelsels Wet, Wet 32 van 2000.

4.5 Dit is die verantwoordelikheid van die verbruiker om sy korrekte kontakbesonderhede aan die munisipaliteit te verskaf en op datum te hou.

4.6 Die onus berus by die skuldenaar om 'n opgawe van sy of haar rekeninge te verkry sodat dit voor of op datum van betaling vereffen kan word.

5. STAKING VAN MUNISIPALE DIENSTE

- 5.1 'n Verbruiker moet vooraf 'n skriftelike kennisgewing aan die munisipaliteit gee vir die beëindig van die ooreenkoms vir die voorsiening van munisipale dienste.
- 5.2 Dit is die verantwoordelikheid van die verbruiker om die munisipaliteit in kennis stel indien dienste nie meer vereis word as gevolg van die verkoop van eiendom of enige ander rede.
- 5.3 Versuim om te voldoen aan die bepalings van die bogenoemde paragraaf bly die verbruikers aanspreeklik vir alle dienste gehef en rente daarop van die datum waarop die perseel ontruim is tot die datum waarop die Raad bewus geword het van die ontruiming.
- 5.4 'n Verbruiker sal aanspreeklik wees vir alle agterstallige gelde wat betaalbaar is vir munisipale dienste gelewer voor die beëindiging van 'n ooreenkoms.

6 DATUM VAN BETALING VAN GELDE VERSKULDIG

- 6.1 Eiendomsbelasting word verskuldig en betaalbaar soos uiteengesit in die Raad se Verordening op Eiendomsbelasting asook die Eiendomsbelastingbeleid deur die Raad aanvaar.
- 6.2 Gelde betaalbaar ten opsigte van munisipale dienste word verskuldig en betaalbaar op die datum wat as sulks aangedui word op die rekening wat elke maand ten opsigte van sodanige dienste gelewer word en moet **sodanige betaling gemaak word voor of op die 25^{ste} van elke maand.**
- 6.3 Betaling van huur- en/of leningspaaieimente verskuldig ten opsigte van staatsgefinansierde behuising en/of ander munisipale eiendom moet gemaak word op die datums en ooreenkomstig die bepalings vervat in die onderskeie huur- en leningsooreenkomste.
- 6.4 Betaling van bedrae verskuldig aan die Munisipaliteit anders as eiendomsbelasting, gelde verskuldig ten opsigte van munisipale dienste en huur- en leningspaaieimente, moet gemaak word op die datum **soos** aangedui op die rekening wat aan sodanige skuldenaar ten opsigte van sodanige verskuldigde bedrag gelewer word.
- 6.5 Waar die laaste datum vir betaling van enige gelde verskuldig aan die Munisipaliteit op 'n dag is waarop die kantore van die Munisipaliteit gesluit is, sal die finale datum van betaling van sodanige gelde geag te wees die **daaropvolgende** werksdag.

7. AKSIES GENEEM TE WORD WAAR SKULDENAARS AGTERSTALLIG RAAK OF VERSUIM OM GELDE VERSKULDIG VOOR OF OP DATUM VAN BETALING TE VEREFFEN

7.1 EIENDOMSBELASTING AGTERSTALLIG

- 7.1.1 Rente, ooreenkomstig die bepalings van paragraaf 8, sal gehef en betaalbaar wees op alle agterstallige bedrae.

7.1.2 Indien enige belasting of ander jaargelde onbetaald bly na die datum van betaling soos in paragraaf 6.1 aangedui, word die eienaar in kennis gestel.

7.1.3 Indien die eienaar nie reageer op die kennisgewing nie, kan die dienste gestaak word vir die nie-betaling van die eiendomsbelasting.

7.1.4 Waar die eiendom verhuur word en daar geen dienste is om te staak nie, kan die munisipaliteit in terme van artikel 28 en 29 van die Eiendomsbelasting wet, Wet 6 van 2004, beslag lê op die huurgeld betaalbaar aan die eienaar, ongeag enige ooreenkoms tussen die huurder en eienaar.

7.2 GELDE EN HEFFINGS AGTERSTALLIG TEN OPSIGTE VAN MUNISIPALE DIENSTE

7.2.1 Rente, ooreenkomstig die bepalings van paragraaf 8, sal gehef en betaalbaar wees op alle agterstallige bedrae.

7.2.2 Kan die verbruiker per elektroniese media in kennis gestel dat die rekening onbetaald is.

7.2.3 Indien bedrae verskuldig ten opsigte van munisipale dienste, of enige gedeelte daarvan, onbetaal bly na die datum van betaling soos in paragraaf 6.2 aangedui,

- (1) sal die elektrisiteitsvoorsiening na die betrokke perseel afgesluit word, en
- (2) Kan die konvensionele elektrisiteitsmeter vervang met 'n voorafbetaalde elektrisiteitsmeter.
- (3) Kan die uitstaande bedrae op die voorafbetaalde elektrisiteitstelsel gelaai word. Wanneer die voorafbetaalde elektrisiteit gestaak word, moet die verbruiker die nodige reëlins tref ter afbetaling van die uitstaande rekening. Met die tref van hierdie reëling word daar ooreengekom teen watter persentasie van die kragverkope angewend sal word vir die delging van die uitstaande skuld. Die volgende maatstaf sal gebruik word vir die betaling van die koers wat gelaai word:

0 – 30 dae uitstaande	0%
31 – 60 dae uitstaande	50%
61 – 90 dae uitstaande	65%
91 – 120 dae uitstaande	80%
120 dae plus uitstaande	90%
Uitstaande reëlinspaaielemente	90% (ongeg dae uitstaande)

- (4) sal die Direkteur: Finansiële Dienste die diskresie kan uitoefen –

- om die voorsiening van water na die betrokke perseel te beperk deur 'n waterbeheermeganisme op die dienste aansluiting na so 'n perseel te installeer wat nagenoeg 6 kiloliter water per maand sal deurlaat;

of

- om die voorsiening van water te beperk

of

- met inagneming van die betrokke skuldenaar se rekord van betaling, die beperking of afsluiting van die voorsiening van water vir 'n tydperk van nie meer as 14 dae nie, uit te stel.

7.2.4 Indien 'n persoon nie in staat is om agterstallige gelde ten opsigte van munisipale dienste te betaal nie, kan die Munisipaliteit 'n ooreenkoms met sodanige persoon aangaan, ingevolge waarvan so 'n persoon toegelaat word om die agterstallige gelde in maandelikse paaieimente af te betaal,

afbetaling van die verskuldigde bedrag binne die volgende riglyne moet geskied.

R0 – R1 000	:	12 maande
R1 001 – R2 000	:	18 maande
R2 001 – R3 000	:	24 maande
R3 001 – R4 000	:	30 maande
R4 001 en meer	:	36 maande

- Met 'n minimum van 20% van die gemiddelde rekening bereken oor 'n tydperk van 6 maande toe verbruik plaasgevind het(*RB 707 9(28/08/2008)*).
- die persoon alle toekomstige rekenings ten opsigte van eiendomsbelasting, munisipale dienste, huurgelde en leningspaaieimente verskuldig aan die Munisipaliteit gereeld op of voor die datum van betaling, vereffen;
- die persoon erken dat rente op enige paaieimente wat nie teen die betaaldatum betaal is nie gehef kan word teen die voorgeskrewe koers en hy of sy instem om dit te betaal;
- die persoon erken dat indien hy of sy te enige tyd in gebreke bly om die bepaling van so 'n ooreenkoms na te kom, so 'n ooreenkoms nietig geag sal word; dat geen verdere onderhandelings met so 'n persoon moontlik sal wees nie en dat onmiddellik oorgegaan sal word om elektrisiteit- en watervoorsiening aan die betrokke perseel af te sluit of te beperk, waarna geregtelike stappe sal volg.

7.2.5 Indien 'n rekening aan 'n persoon gelewer word waarvan die verskuldigde bedrag ten opsigte van munisipale dienste buitengewoon hoog is en dit te wyte is aan –

- een of ander nalate of versuim aan die kant van die Munisipaliteit; of
- 'n lekkasie van water uit 'n waterpypleiding of afsluitkraan wat op so 'n perseel geïnstalleer is en wat nie deel vorm van die Munisipaliteit se dienste aansluiting nie

en met dien verstande dat so 'n verskuldigde bedrag regtens verskuldig en betaalbaar is deur so 'n persoon, kan die Munisipaliteit in die diskresie van die Direkteur: Finansiële Dienste, 'n ooreenkoms met sodanige persoon aangaan ingevolge waarvan so 'n persoon toegelaat word om die verskuldigde bedrag in maandelikse paaieimente af te betaal, onderworpe aan die voorbehoudsbepalings vervat in paragraaf 7.2.3 en met dien verstande dat waar so 'n hoë rekening te wyte is aan die nalate en/of versuim van die Munisipaliteit, geen rente betaalbaar sal wees ten opsigte van sodanige verskuldigde bedrag nie.

Indien enige gelde verskuldig ten opsigte van munisipale dienste gelewer, **waar die verbruiker intussen die dienste afgesluit het**, en geen ooreenkoms gesluit is vir die afbetaling van die uitstaande bedrae nie, die Direkteur: Finansiële Dienste, onderhewig aan die bepaling van paragraaf 11.3 –

- Die rekening vir gelde aldus verskuldig aan 'n skuldinvorderaar of prokureur oorhandig vir invordering indien daar na sy mening 'n redelike kans bestaan dat die skuld wel ingevorder sal kan word; (vir doeleindes hiervan sal skuldinvordering ook geag word enige beampte van die raad te wees wat met die bevoegdheid bekleed is om skuld in te vorder)

OF

- ~~Die verbruiker te lys by die kredietburo as 'n swak betaler (black list)~~

7.3 AGTERSTALLIGE HUURGELDE EN/OF LENINGSPAAIEMENTE

7.3.1 Waar huur- of leningsooreenkomste voorsiening maak vir rente betaalbaar op agterstallige huurgelde of leningspaaieimente, word rente gehef ooreenkomstig die voorwaardes vervat in sodanige huur- of leningsooreenkomste.

~~7.3.2 Waar huurgelde en/of leningspaaieimente verskuldig aan die Munisipaliteit nie voor of op die datum van betaling betaal word nie, word 'n brief van aanmaning aan die betrokke persoon gestuur waarin hy of sy versoek word om sodanige agterstallige bedrae tesame met rente, indien enige, binne 14 dae vanaf datum van so 'n kennisgewing te betaal.~~

7.3.3 'n Ooreenkoms om agterstallige bedrae in maandelikse paaieimente te betaal, kan ter enige tyd met die persoon wat sodanige gelde verskuldig is, aangegaan word onderworpe egter aan die voorwaardes en bepalinge vervat in paragraaf 7.2.3 welke bepalinge mutatis mutandis van toepassing sal wees.

7.3.4 Waar 'n ooreenkoms om bedrae verskuldig in maandelikse paaieimente af te betaal nie aangegaan is nie, en sodanige bedrae steeds na meer as 30 dae gereken vanaf datum van betaling uitstaande is, moet die Direkteur: Finansiële Dienste die stappe neem soos uiteengesit in paragraaf 7.2.5.

7.4 GELDE VERSKULDIG ANDER DAN GELDE TEN OPSIGTE VAN EIENDOMSBELASTING, MUNISIPALE DIENSTE, HUURGELDE EN LENINGSPAAIEMENTE

Die bepalings van paragrawe 7.3.3 en 7.3.4 ten opsigte van agterstallige huurgelde en/of leningspaaiemente is mutatis mutandis van toepassing.

8. HEFFING VAN RENTE

- 8.1 Rente teen die standaardkoers moet gehef en gevorder word ten opsigte van alle agterstallige bedrae wat aan die Munisipaliteit verskuldig en betaalbaar is, vir elke maand wat sodanige bedrae na die datum vermeld in paragraaf 8.2, onbetaal bly met dien verstande dat 'n gedeelte van 'n maand geag word 'n maand te wees.
- 8.2 Sodanige rente word gehef vanaf die dag wat volg op die datum van betaling ten opsigte van sodanige uitstaande bedrae wat op sodanige datum van betaling nog nie vereffen is nie.

9. AFSLUITING EN HERAANSLUITING VAN DIENSTE

- 9.1 Ingeval die water- of elektrisiteitstoevoer na 'n perseel, ooreenkomstig die bepalings van paragrawe 7.2.3 afgesluit word, word sodanige water- of elektrisiteitstoevoer heraangesluit slegs sodra –
- (1) die bedrae verskuldig tesame met rente ten volle vereffen is of 'n ooreenkoms vir afbetaling daarvan met die skuldenaar aangegaan is ooreenkomstig die bepalings en voorwaardes vervat in paragrawe 7.2.3 en 7.2.4; en
 - (2) die afsluiting- en/of heraansluitingsgelde soos in die Munisipaliteit se tarief beleid vasgestel, betaal is.

10. VORDERING VAN DEPOSITO

- 10.1 Wanneer 'n persoon ooreenkomstig die bepalings van paragraaf 3.1 aansoek doen vir die lewering van munisipale dienste en alvorens sodanige dienste gelewer word, word 'n deposito/**bankwaarborg** van sodanige persoon gevorder welke deposito as sekuriteit of gedeeltelike sekuriteit sal dien vir betaling van munisipale dienste gelewer aan so 'n persoon.
- 10.2 'n Deposito soos in paragraaf 10.1 beoog, word aangewend ter delging van of ter vermindering van bedrae deur 'n persoon aan die Munisipaliteit verskuldig vir munisipale dienste gelewer, indien so 'n skuldenaar sou verdwyn en nie geredelik opgespoor kan word nie, of insolvent verklaar word of om welke rede ook al weier of versuim om sy of haar verpligtinge teenoor die Munisipaliteit na te kom.
- 10.3 Die bedrag van die deposito word van tyd tot tyd in die Munisipaliteit se Begroting vasgestel vir die volgende kategorieë. **Munimum deposito word bereken op twee (2) maande se gebruik, behalwe waar anders gemeld-**

- (1) nuwe aansoekers vir munisipale dienste (huishoudelike verbruikers);
- (2) nuwe aansoekers vir munisipale dienste (besighede/grootmaat verbruikers);
- (3) nuwe aansoekers vir lae koste behuising, hulpbewoewende of Staatsouderdomspensioenarisse.

10.4 Diskresionêre bevoegdheid word aan die Direkteur: Finansiële Dienste verleen om die deposito betaalbaar deur 'n persoon, soos vasgestel ooreenkomstig paragraaf 10.4, te verhoog telkens wanneer enige munisipale diens ingevolge paragraaf 7.2.3 afsluit of beperk word, met dien verstande egter dat 'n deposito slegs aldus verhoog mag word tot 'n maksimum bedrag soos volg bereken:

2½ maal die bedrag van die hoogste rekening vir munisipale dienste gelewer aan die betrokke persoon in enige maand gedurende die 12 maande wat die datum van afsluiting of beperking van die dienste voorafgaan. Waar munisipale dienste in enige gegewe stadium nog nie 12 maande lank aan 'n persoon gelewer is nie, sal die bedrag van die hoogste maandelikse rekening vir enige maand gedurende die mindere tydperk, bepalend wees.

10.5 Wanneer 'n persoon wat reeds 'n deposito aan die Munisipaliteit betaal het, van een perseel binne die regsgebied van die Munisipaliteit na 'n ander perseel binne die regsgebied van die Munisipaliteit verhuis, sal die normale deposito betaalbaar wees. Geen dienstedeposito word oorgedra nie.

10.6 Die munisipaliteit behou die reg voor om dienste deposito's ter enige tyd aan te pas om te voldoen aan die bepalinge van 10.4

10.7 Die Munisipaliteit is nie aanspreeklik vir betaling van rente op deposito's wat deur die Munisipaliteit gehou word nie

10.8 Wanneer 'n persoon, wat 'n deposito aan die Munisipaliteit betaal het, skriftelik versoek dat munisipale dienste wat aan hom of haar gelewer word gestaak word en dat die deposito wat aldus deur die Munisipaliteit gehou word aan hom of haar terugbetaal word, word sodanige deposito of enige gedeelte daarvan wat nie ooreenkomstig paragraaf 10.2 aangewend is nie aan sodanige persoon terugbetaal.

11. INSTELLING VAN GEREGETELIKE STAPPE

11.1 Die instelling van geregetelike stappe sluit in, maar is nie beperk nie tot –

- (1) Lys by Kredietburo as stadige/swak betaler (Word deur die Munisipaliteit self gedoen)
- (2) die dagvaarding van 'n skuldenaar vir betaling van agterstallige skuld;
- (3) die beslaglegging van huur betaalbaar op 'n eiendom;
- (4) die beslaglegging op die besoldiging van 'n skuldenaar;

- (5) die beslaglegging en geregtelikeverkoop van roerende goed;
 - (6) die beslaglegging en geregtelike verkoping van onroerende eiendom;
 - (7) die uitsetting van 'n huurder uit 'n verhuurde eiendom in die geval van huurgelde verskuldig aan die Munisipaliteit ten opsigte van so 'n verhuurde eiendom.
- 11.2 Die instelling van geregtelike stappe word geneem met inagneming van alle wetlike vereistes en die nakoming van wetlike voorskrifte en prosedure reëlins in dié verband.
- 11.3 Diskresionêre bevoegdheid word aan die Direkteur: Finansiële Dienste verleen om te besluit of –
- (1) 'n rekening aan 'n skuldinvorderaar of 'n prokureur vir invordering oorhandig moet word en, of
 - (2) geregtelike stappe teen 'n skuldenaar ingestel moet word;
- in daardie gevalle waar die totale skuld van 'n skuldenaar 'n bedrag soos deur die Direkteur: Finansiële Dienste bepaal oorskry.
- By die uitoefening van hierdie bevoegdheid neem die Direkteur: Finansiële Dienste slegs as enigste oorweging in ag of dit koste-effektief sal wees om sodanige rekening vir invordering te oorhandig en/of geregtelike stappe teen die skuldenaar in te stel al dan nie.
- 11.4 Die Direkteur: Finansiële Dienste sal die bevoegdheid hê om te bepaal welke van die geregtelike stappe in paragraaf 11.1 vermeld die mees aangewese en doeltreffendste stap sal wees ten opsigte van elk en iedere skuldenaar teen wie geregtelike stappe ingevolge hierdie beleid van die raad ingestel moet word.

HOOFSTUK 4

ALGEMENE BEPALINGS

12. KOSTE VAN INVORDERING

Die Munisipaliteit sal alle regskoste, invorderingskommissie en enige ander kostes wat deur die Munisipaliteit aangegaan mag word om die gelde verskuldig deur 'n skuldenaar aan die Munisipaliteit, in te vorder, teen die rekening van sodanige skuldenaar hef en dit van hom of haar verhaal.

13. GEDISHONOREERDE BETALINGS

Indien enige betaling aan die Munisipaliteit by wyse van 'n verhandelbare instrument later deur 'n bank gedishonoreer word, kan die Direkteur: Finansiële Dienste –

- (1) koste- en administrasiefooi op die rekening van sodanige skuldenaar hef teen 'n koers wat van tyd tot tyd deur die raad bepaal word; en
- (2) nadat betaling aangebied deur 'n skuldenaar vir 'n derde keer deur die bank gedishonoreer word, by wyse van skriftelike kennisgewing aan sodanige persoon vereis dat alle toekomstige rekeninge in kontant betaal word.
- (3) Persone gelys word by Kredietburo as swak betalers.

14. TOEGANG TOT PERSELE

Die bewoner van 'n perseel in die regsgebied van die Munisipaliteit moet te alle redelike ure aan 'n gemagtigde verteenwoordiger van die Munisipaliteit of van 'n diensverskaffer, toegang verleen tot die perseel ten einde enige meter- of diensverbinding vir verspreiding te lees, te inspekteer, te installeer of te herstel of om die verskaffing van 'n munisipale diens af te sluit of dit te beperk.

Waar toegang nie moontlik is nie, aanvaar die eienaar verantwoordelikheid vir die koste vir die skuif van die meteringstoestel.

15. VEILIGE AKKOMMODASIE VAN DIENSAANSLUITINGS, METERS, AFSLUITKRANE, APPARAAT ENS.

Waar water en/of elektrisiteit aan 'n perseel gelewer word, is die verbruiker van sodanige dienste verantwoordelik vir die veilige akkommodasie van enige diens aansluitings, meters, afsluitkrane, diensbeveiligingstoestelle en –toerusting wat op sodanige perseel is en is die verbruiker ook aanspreeklik vir vergoeding aan die Munisipaliteit vir enige koste of verliese of skade wat die Munisipaliteit ten opsigte daarvan mag aangaan of ly.

16. DIEFSTAL, SKADE EN ONGEMAGTIGDE GEBRUIK VAN WATER EN ELEKTRISITEIT

16.1 Geen persoon mag:

- (1) op enige wyse of om enige rede hoegenaamd aan enige diens aansluiting, meter, afsluitkraan, diensbeveiligingstoestel en –apparaat, seëls of hooftoevoerleiding, wat geïnstalleer is om water en/of elektrisiteit te voorsien te meet of te beperk, peuter of beskadig of breek of hom of haar daarmee bemoei of dit verwyder nie;
- (2) enige waterpypleyn of -pypleiding of netwerk of 'n elektriese installasie regstreeks of onregstreeks aansluit, probeer aansluit of duld of toelaat dat dit aangesluit word by die Munisipaliteit se hooftoevoerleiding of diens-aansluiting nie, tensy sodanige persoon skriftelik deur die Munisipaliteit spesifiek daartoe gemagtig is.
- (4) enige wateraansluiting of elektriese installasie wat, vir welke rede ook al, deur die Munisipaliteit afgesluit is, heraansluit, probeer heraansluit of duld of toelaat dat dit heraangesluit word by die Munisipaliteit se hooftoevoerleiding of diens

aansluitings nie, tensy sodanige persoon skriftelik deur die Munisipaliteit spesifiek daartoe gemagtig is.

(5) water of elektrisiteit, wat op 'n onregmatige wyse verkry is, gebruik nie.

16.2 Die Munisipale Bestuurder moet, sodra dit tot sy kennis kom en hy oor voldoende feitelike getuienis beskik dat 'n oortreding van enige van die bepalings van paragraaf 16.1 plaasgevind het, 'n strafregtelike vervolging teen die persoon wat vermoedelik so 'n oortreding begaan het, instel.

16.3 Benewens en ondanks strafregtelike vervolging en oplegging van gevangenisstraf en/of 'n boete ingevolge enige verordening deur die Munisipaliteit gemaak of ingevolge enige ander Wet, regulasie of verordening, aan enige persoon wat hom of haar skuldig maak aan 'n oortreding in paragraaf 16.1 vermeld, sal die Munisipaliteit geregtig wees om –

(1) enige koste of skade of verliese wat die Munisipaliteit mag aangaan, opdoen of mag ly as gevolg van sodanige oortredings van sodanige persoon te verhaal, en

(2) ingeval water en/of elektrisiteit onregmatig verbruik is, die persoon wat dit onregmatig verbruik het aan te slaan vir betaling van 'n verbruik bereken ooreenkomstig die bepalings van paragraaf 2.2.4.

(3) die voorsiening van water en/of elektrisiteit aan die betrokke perseel summier af te sluit.

(4) Volle uitstaande bedrag van die rekeninghouer te eis alvorens die diens weer aangesluit word, of 'n aanvaarbare reeling aan te gaan vir die betaling van die rekening.

17. ONDERTEKENING VAN KENNISGEWINGS EN DOKUMENTE

'n Kennisgewing of dokument uitgereik deur die Munisipaliteit ingevolge 'n verordening gemaak deur die Munisipaliteit en wat onderteken is deur 'n personeelid van die Munisipaliteit word geag behoorlik uitgereik te wees en moet by blote voorlegging daarvan deur die hof aanvaar word as getuienis van daardie feit

18. WAARMERK VAN DOKUMENTE

Enige bestelling, kennisgewing of ander dokument wat deur die Munisipaliteit gewaarmerk moet word, word as voldoende gewaarmerk geag indien dit onderteken is deur die Munisipale Bestuurder of 'n behoorlik gemagtigde beampte van die Munisipaliteit aan wie sodanige bevoegdheid opgedra is by wyse van 'n besluit van die raad van die Munisipaliteit of kragtens 'n verordening

19. PRIMA FACIE GETUIENIS

In regsgedinge wat deur die Munisipaliteit aanhangig gemaak word, moet die blote voorlegging van 'n sertifikaat wat die bedrag verskuldig en betaalbaar aan die Munisipaliteit reflekteer, en onderteken is deur die Munisipale Bestuurder, of 'n

toepaslik gekwalifiseerde beampte wat deur die Munisipale Bestuurder daartoe gemagtig is, deur die hof aanvaar word as prima facie bewys dat die bedrag verskuldig is.

HOOFSTUK 5

FINANSIËLE BYSTAND AAN HULPBEHOEWENDE HUISHOUDINGS

20. BRON VAN FINANSIËLE BYSTAND

Finansiële bystand aan 'n hulpbehoewende huishouding word gefinansier uit –

- (1) finansiële toekennings deur die Nasionale Regering aan die Munisipaliteit vir dié doel, en
- (2) 'n bewilliging vir dié doel deur die Munisipaliteit en word die bedrag van sodanige bewilliging jaarliks deur die Raad bepaal tydens die opstel van die Raad se begroting.

21. VEREISTES VIR REGISTRASIE AS 'N HULPBEHOEWENDE HUISHOUDING

'n Huishouding wat as 'n hulpbehoewende huishouding wil registreer en vir finansiële bystand ingevolge die raad se beleid in dié verband in aanmerking wil kom, kan slegs as sulks geregistreer word indien –

- (1) (a) die totale inkomste van al die lede van die huishouding wat normaalweg op 'n perseel woonagtig is, insluitende die inkomste van enige ander persoon wat saam met die huishouding op sodanige perseel woon, **nie die bedrag van R 4 000.00 oorskry nie;**

OF

- (b) die hoof van die huishouding in wie se naam die rekening geregistreer is, 'n Staatsouderdomspensioen of ongeskiktheidstoelae ontvangⁱ.
- (2) die hoof van die huishouding en sy of haar gesin self die perseel waarop die aansoek betrekking het, bewoon; en
- (3) die hoof van die huishouding en/of sy of haar gade en/of hul wettige kinders wat saam met hul ouers op 'n perseel woonagtig is, nie die wettige eienaar is van 'n ander woning nie; en
- (4) aansoek om registrasie op 'n vorm wat deur die Munisipaliteit vir dié doel voorgeskryf is en wat by enige kantoor van die Munisipaliteit verkrygbaar is, gedoen is.

22. AANSOEK OM REGISTRASIE

- 22.1 'n Huishouding wat aansoek wil doen om as 'n hulpbehoewende huishouding te kwalifiseer moet die **voorgeskrewe** aansoekvorm voltooi.

- 22.2 'n Aansoekvorm, of enige ander vorm, verklaring of sertifikaat wat deur die Munisipaliteit vereis word, moet tensy anders aangedui op sodanige vorm, verklaring of sertifikaat, deur die hoof van die huishouding onderteken of gesertifiseer word. Vir doeleindes hiervan word hoof van die huishouding geag die wettige eienaar of die wettige huurder van 'n perseel te wees of die persoon wat andersins die beheer oor so 'n perseel uitoefen.
- 22.3 'n Aansoek moet vergesel word van die volgende besonderhede:
- (1) dokumentêre bewys van die bruto-inkomste van al die persone woonagtig op 'n perseel, soos 'n brief van 'n werkgewer waarin die bruto salaris of loon van die betrokke persoon verklaar en gesertifiseer word, 'n salarisadviesstrokie, 'n pensioenkaart, 'n werkloosheidversekeringskaart;
 - (2) 'n beëdigde verklaring deur daardie persone woonagtig op die perseel wat geen inkomste het nie, waarin verklaar word dat sodanige lid werkloos is en nie in ontvangs van inkomste van enige aard is nie;
 - (3) 'n gesertifiseerde afskrif van die aansoeker se identiteitsdokument; en
 - (4) die name en identiteitsnommer van alle persone 18 jaar of ouer, wat op 'n bepaalde perseel woonagtig is.
- 22.4 Dit sal van die hoof van 'n huishouding, wat aansoek om registrasie as 'n hulpbehoewende huishouding doen, vereis word om te verklaar dat alle inligting wat op die aansoekvorm en ander dokumentasie verstrekkend word, waar en korrek is.
- 22.5 Die Munisipaliteit of sy gemagtigde agent kan deur sy gemagtigde verteenwoordiger enige stappe wat nodig mag wees, neem om die korrektheid van inligting wat deur 'n aansoeker verstrekkend word, na te gaan en/of die korrektheid daarvan te verifieer insluitende onderhoude met en die afneem van verklaarings van lede van 'n huishouding.
- 22.6 Die Munisipaliteit of sy gemagtigde verteenwoordiger sal ten minste een keer per jaar die aansoeker besoek ten einde die korrektheid van alle inligting te verifieer.**

23. OORWEGING VAN AANSOEKE

- 23.1 'n Aansoek ontvang ooreenkomstig die bepalings van paragraaf 22.1 sal deur die Munisipaliteit oorweeg word en indien die Munisipaliteit tevrede is dat die aansoeker ooreenkomstig die bepalings van paragraaf 21 kwalifiseer sal so 'n huishouding as hulpbehoewende huishouding geregistreer word.
- 23.2 Die Munisipaliteit sal die reg hê om 'n aansoek af te keur indien die jaarlikse bewilliging vir finansiële bystand aan hulpbehoewende huishoudings, waarna in paragraaf 20 verwys word, te enige tyd uitgeput is of uitgeput word.

23.3 Indien 'n huishouding as 'n hulpbehoewende huishouding geregistreer word, word finansiële bystand aan sodanige huishouding verleen ooreenkomstig die bepalings van paragraaf 24.1, met dien verstande egter dat –

- (1) die huishouding op 'n jaarlikse grondslag, gereken vanaf die datum waarop die finansiële bystand toegestaan word, aan die Direkteur: Finansiële Dienste en tot sy bevrediging, bewys lewer dat so 'n huishouding steeds aan die vereistes van paragraaf 21 voldoen;
- (2) indien 'n huishouding ter eniger tyd na verstryking van 'n vier maande siklus in gebreke gebly het of geweier het om bewys of bevredigende bewys ten opsigte van die kwalifikasie vereistes waarna in paragraaf 21 verwys word ooreenkomstig sub-paragraaf (1) hierbo te lewer, word alle finansiële bystand aan so 'n huishouding onverwyld opgeskort tot tyd en wyl sodanige bewys, behoudens die bepalings van paragraaf 25.1(2), gelewer word.

24. AANWENDING VAN EN BEPERKING OP FINANSIËLE BYSTAND

24.1 Onderworpe aan die volhoubaarheid en bekostigbaarheid daarvan met in agneming van die bepalings van paragraaf 23.2, sal finansiële bystand aan 'n hulpbehoewende huishouding wat vir sodanige bystand kwalifiseer, beperk wees tot en aangewend word vir vereffening of gedeeltelike vereffening van die volgende munisipale dienste en tariewe:

- (1) 50 kWh elektrisiteit per maand vir 'n huishouding ten opsigte waarvan die elektrisiteitsaansluiting beperk is tot 20 ampère;
- (2) Basiese fooi ten opsigte van konvensionele elektrisiteit waar die aansluiting beperk is tot 20 ampère.
- (3) 6 Kiloliter water per maand
- (4) Basiese fooi ten opsigte van water
- (5) rioolgelde ten opsigte van **die een rioolaansluiting** of die gelde betaalbaar ten opsigte van die pomp van 'n suigtenk tot 'n bedrag gelyk aan die tarief vasgestel vir 'n eerste riool pan
- (6) vullisverwyderingsgelde.

24.2 Die Munisipaliteit sal die reg hê om minstens een keer per jaar tydens die begrotingsproses, maar ook as tussentydse maatreël, op enige ander stadium, die mate waartoe finansiële bystand aan kwalifiserende hulpbehoewende huishoudings toegestaan kan word te bepaal of te herbepaal, insluitende die koers waarteen en ten opsigte van welke munisipale dienste finansiële bystand verleen kan word.

24.3 Waar 'n voorafbetaalde elektrisiteitsmeter op 'n perseel, wat deur 'n kwalifiserende hulpbehoewende huishouding geokkupeer word, geïnstalleer is, en mits die elektrisiteitsaansluiting beperk is tot 20 ampère, sal sodanige huishouding eweneens in

aanmerking kom vir finansiële bystand ten opsigte van elektrisiteitsverbruik en wel tot die mate soos bepaal by paragraaf 24.1(1).

‘n Krediet op sodanige rekening verwerf, word aangewend ter vereffening van eiendomsbelasting verskuldig of bedrae verskuldig ten opsigte van enige van die ander munisipale dienste

25. KANSELLASIE VAN REGISTRASIE

25.1 Registrasie as ‘n hulpbehoewende huishouding word in die volgende gevalle gekanselleer en verbeur sodanige huishouding alle finansiële bystand wat aan die betrokke huishouding toegestaan is vir die onverstreke termyn waarvoor die bystand toegestaan is:

- (1) waar dit bevind word dat valse inligting in die aansoekvorm of ander dokumentasie en/of verklarings verstrekkend is;
- (2) indien die hoof van die hulpbehoewende huishouding na verloop van 30 dae nadat finansiële bystand aan so ‘n huishouding ooreenkomstig paragraaf 23.3 opgeskort is, weier, versuim of in gebreke bly om die inligting soos vereis by paragraaf 22.3 aan die Munisipaliteit te verstrek;
- (3) indien dit bevind word dat omstandighede sodanig verander het dat die hulpbehoewende huishouding nie meer voldoen aan een of meer van die vereistes vir registrasie, soos vermeld in paragraaf 21 nie;
- ~~(4) indien die huishouding versuim of weier om die administrasiefooi betaalbaar ingevolge paragraaf 24, vir ‘n bepaalde maand voor of op die datum vermeld in paragraaf 24.2 te betaal.~~

25.2 Die onus rus op die hoof van die hulpbehoewende huishouding om die Munisipaliteit in kennis te stel sodra omstandighede ter enige tyd sodanig verander dat daar nie meer voldoen word aan die vereistes van paragraaf 21 nie en terselfdertyd volledige besonderhede van sodanige veranderde omstandighede aan die Munisipaliteit te verstrek.

25.3 Nieteenstaande enigiets andersluidend hierin vervat, sal die Munisipaliteit geregtig wees om, benewens die strafregtelike vervolging van die hoof of enige lid van so ‘n huishouding, die finansiële bystand toegestaan en ingevolge die bepalings van paragraaf 24 aangewend, terug te vorder –

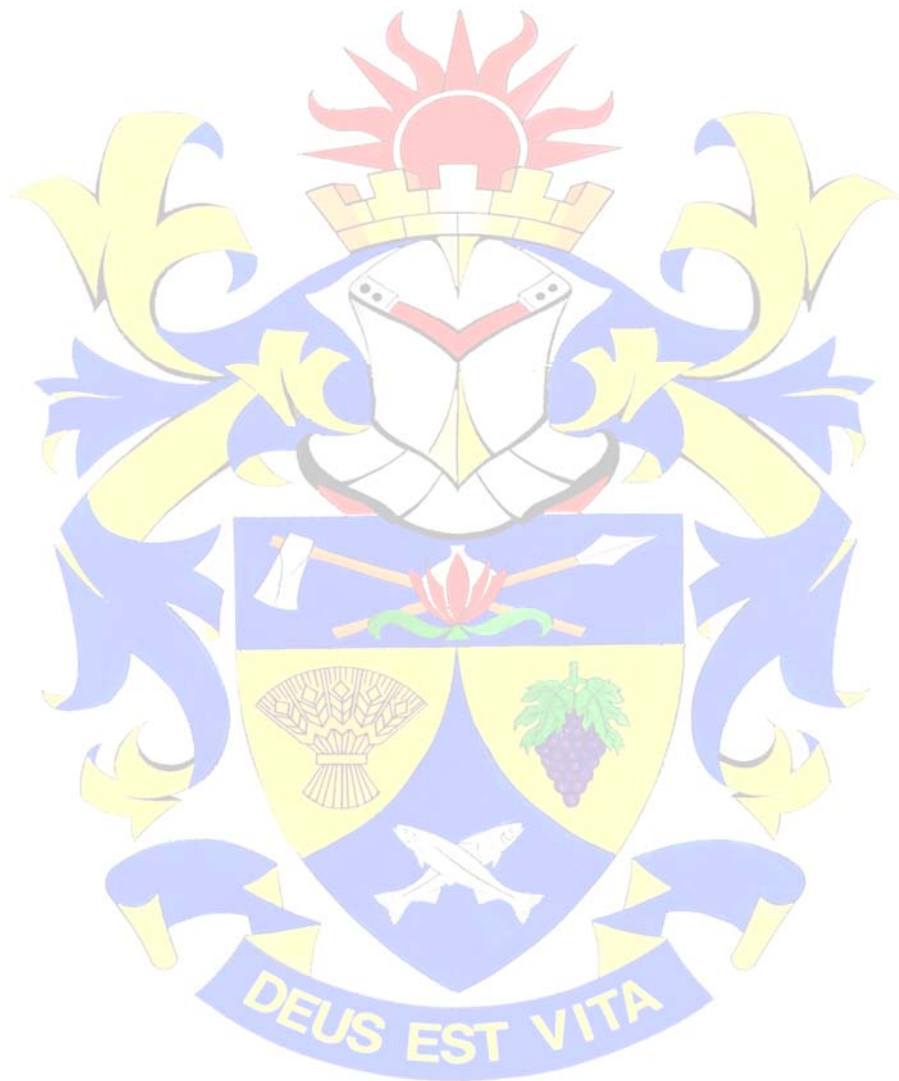
- (1) in die geval vermeld in paragrafe 25.1(1) en (2) – vanaf die datum waarop die finansiële bystand toegestaan is; en
- (2) in die geval vermeld in paragraaf 25.1(3) – vanaf die datum waarop die omstandighede waarna in paragraaf 25.1(3) verwys word, verander het of indien so ‘n datum nie vasgestel kan word nie, vanaf die datum waarop dit vasgestel is dat die betrokke huishouding nie meer aan die kwalifiserende vereistes voldoen nie.

- 25.4 Ingeval die registrasie van 'n hulpbehoewende huishouding ingevolge die bepalings van paragraaf 25.1(1) beëindig word, sal sodanige huishouding nie weer in die toekoms in aanmerking kom vir finansiële bystand nie.

ⁱ 22 Mei 2009

BERGRIVIER

Munisipaliteit / Municipality



RATES POLICY

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19. SHORT TITLE

39

PREAMBLE

WHEREAS section 3 of the Local Government: Municipal Property Rates Act, 2004 (No 6 of 2004) determines that a municipality must adopt a rates policy in accordance to the determination of the Act; and

In terms of section 229 of the Constitution of the Republic of South Africa, 1996, a municipality may impose rates on property; and

In terms of the Local Government: Municipal Property Rates Act, 2004 (no 6 of 2004) a municipality in accordance with –

- (a) section 2(1) may levy a rate on property in its area; and
- (b) section 2 (3) must exercise its powers to levy a rate on property subject to-
 - (i) Section 229 and any other applicable provisions of the Constitution;
 - (ii) The provisions of the Property Rates Act; and
 - (iii) The Rates Policy and

In terms of section 4(1)(c) of the Local Government: Municipal Systems Act, 2000 (no 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, *inter alia*, rates on property; and

In terms of section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, 2003 (no 56 of 2003) the Municipal Manager must ensure that the municipality has and implements a rates policy.

NOW THEREFORE the following policy on the levying of property rates is accepted.

1. OBJECTIVES:

In developing and adopting this rates policy, the council has sought to give effect to the sentiments expressed in the preamble of the Property Rates Act, namely that:

- the Constitution requires local government to be developmental in nature, in addressing the service delivery priorities of our country and promoting the economic and financial viability of our municipalities;
- there is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfil its developmental responsibilities; and
- revenues derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of racially discriminatory legislation and practices; and
- it is essential that municipalities exercise their power to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation, and which takes account of historical imbalances and the burden of rates on the poor.

In applying its rates policy, the council shall adhere to all the requirements of the Property Rates including any regulations promulgated in terms of that Act.

The objectives of this policy are also to ensure that-

- all ratepayers within a specific category are treated equal and reasonable;
- All rates levied are affordable. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates.
- rates are levied in accordance with the market value of the property;

- the rate will be based on the value of all rateable property in that category and the amount required by the municipality to balance the operational budget, taking into account the surplus obtained from the trading- and economical services and the amounts required to finance exemptions, reductions and rebates that the municipality may approve from time to time;
- income derived from rates will be used to finance community- and subsidised services only;
- to optimally safeguard the income base of the municipality through exemptions, reductions and rebates that are reasonable and affordable taking into account the poor/indigent ratepayers;
- In order to minimise major shocks to certain ratepayers the market values in the new valuation roll or tariffs determined by Council may be phased-in over the entire periods as stipulated in the Rates Act.
- to adhere to the legal requirements of the Property Rates Act.

2. DEFINITIONS

In this policy, unless the context indicates otherwise—

“Act”, means the Local Government: Municipal Property Rates Act, 2004
(Act No. 6 of 2004)

“Agent”, in relation to the owner of a property, means a person appointed by the owner of the property –

- (a) to receive rental or other payments in respect of the property on behalf of the owner; and/or
- (b) to make payments in respect of the property on behalf of the owner;

“accommodation establishment” means a facility zoned for single residential purposes, that provides for lettable residential accommodation on a regular and continuous basis in addition to its permitted use for a single family

and includes guesthouses, “bed & Breakfast” and “Self-catering” establishments;

“agricultural purpose”, in relation to the use of a property, excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game;

“Agricultural property”, means property that is used primarily for agricultural purposes and excludes any portion thereof that is used commercially for the hospitality of guests, and excludes the use of the property for the purpose of ecotourism or for the trading in or hunting of game.

“annually” means once every financial year;

“business” means the activity of buying, selling or trade in goods or services and includes any office or other accommodation on the same erf, the use of which is incidental to such business, with the exclusion of the business of mining, agriculture, farming, or inter alia, any other business consisting of cultivation of soils, the gathering in of crops or the rearing of livestock or consisting of the propagation and harvesting of fish or other aquatic organisms.

“category” –

- (a) in relation to property, means a category of property determined in terms of section 8 (2) of the Act;
- (b) in relation to owners of property, means a category of owners determined in terms of section 15 (2) of the Act;

“district municipality” means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and

which is described in section 155 (1) of the Constitution as a Category C municipality;

“exclusion” in relation to a municipality’s rating power, means a restriction of that power as provided for in section 17 of the Act;

“exemption” in relation to the payment of a rate, means an exemption granted in terms of section 15 of the Act;

“financial year” means the period starting from 1 July in a year to 30 June of the next year;

“household income” means the income accruing to all members of the household permanently residing at the address. It includes income of spouses;

“income tax act” means the Income Tax Act ,1962 (Act 58 of 1962)

“indigent person” means a person whose household income does not exceed the minimum household income as predetermined by the council;

“land reform beneficiary” in relation to a property , means a person who-

(a) acquired the property through-

(i) the Provincial Land and Assistance Act, 1993 (Act 126 of 1993);

(ii) the Restitution of Land Rights Act, 1994 (act 22/1994);

(b) holds the property subject to the Communal Property Associations Act, 1996 (Act 28 of 1996); or

- (c) holds or acquires the property in terms of such other land tenure reform legislation as may pursuant to section 25(6) and (7) of the Constitution be enacted after this Act has taken effect;

“land tenure right” means an old order right or a new order right as defined in section 1 of the Communal Land Rights Act ,2004

“local community”, in relation to a municipality—

(a) means that body of persons comprising—

- (i) the residents of the municipality;
- (ii) the ratepayers of the municipality;
- (iii) any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality; and
- (iv) visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality.

(b) Includes, more specifically, the poor and other disadvantaged sections of such body of persons.

“local municipality” means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality;

“market value”, in relation to a property, means the value of the property determined in accordance with section 46 of the Act;

“MEC for Local Government” means the member of the Executive Council of a province who is responsible for local government in that province;

“mining” means any operation or activity for extracting any mineral on, in or under the earth, water or any residue deposit, whether by underground or open working or otherwise and includes any operation or activity incidental thereto;

“minister” means the Cabinet member responsible for local government;

“multiple purposes”, in relation to a property, means the use of a property for more than one purpose, **subject to section 9 of the MPRA, 2004 (Act 6 of 2004)** and cannot be assigned to a single category.

“municipal council” or **“council”** means a municipal council referred to in section 18 of the Municipal Structures Act;

“Municipal Finance Management Act” means the Local Government; Municipal Finance Management Act, 2003 (Act 56 of 2003);

“municipality”—

- (a) as a corporate entity, means a municipality described in section 2 of the Municipal Systems Act; and
- (b) as a geographical area, means a municipal area demarcated in terms of the Local Government: Municipal Demarcation Act, 1998 (Act. 27 of 1998);

“municipal manager” means a person appointed in terms of section 82 of the Municipal Structures Act;

“municipal properties” means those properties of which the municipality is the owner;

“Municipal Systems Act” means the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000);

“newly rateable property” means any rateable property on which property rates were not levied before the end of the financial year preceding the date on which this Act took effect, excluding a property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date;

“occupier”, in relation to a property, means a person in actual occupation of a property whether or not that person has a right to occupy the property;

“Office bearer”, in relation to places of public worship, means the primary person who officiates at services at that place of worship.

“Official residence”, in relation to places of public worship, means

- a) a portion of the property used for residential purposes; or
- b) one residential property, if the residential property is not located on the same property as the place of public worship, registered in the name of a religious community or registered in the name of a trust established for the sole benefit of a religious community and used as a place of residence for the office bearer.

“owner”—

- (a) in relation to property referred to in paragraph (a) of the definition of “property”, means—
a person in whose name ownership of the property is registered;
- (b) in relation to a right referred to in paragraph (b) of the definition of “property”, means a person in whose name the right is registered; or

(c) in relation to a land tenure right referred to in paragraph (c) of the definition of “property”, means a person in whose name the right is registered or to whom it was granted in terms of legislation, provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:

- (i) A trustee, in the case of a property in a trust excluding state trust land;
- (ii) an executor or administrator, in the case of a property, in a deceased estate;
- (iii) a trustee or liquidator, in the case of a property, in an insolvent estate or in liquidation;
- (iv) a judicial manager, in the case of a property, in the estate of a person under judicial management;
- (v) a curator, in the case of a property, in the estate of a person under curatorship;
- (vi) an usufructuary or other person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;
- (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or
- (viii) a buyer, in the case of a property that was sold and of which possession was given to the buyer pending registration of ownership in the name of the buyer;

“permitted use”, in relation to a property, means the limited purposes for which the property may be used in terms of –

- (a) any restrictions imposed by –
 - (i) a condition of title;
 - (ii) a provision of a town planning or land use scheme; or

- (iii) any legislation applicable to any specific property or properties; or
- (b) any alleviation of any such restrictions;

“person” includes an organ of the state;

“Place of public worship”, means property used primarily for the purposes of congregation, excluding a structure that is primarily used for educational instruction in which secular or religious education is the primary instructive medium: Provided that the property is—

- i. registered in the name of the religious community;
- ii. registered in the name of a trust established for the sole benefit of a religious community; or
- iii. subject to a land tenure right

“private open space” means any land in private ownership used primarily as a private site for play, rest or recreation without financial gain.

“property” means—

- (a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
- (b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
- (c) a land tenure right registered in the name of a person or granted to a person in terms of legislation;

“property register” means a register of properties referred to in section 23 of the Act;

“protected area” means an area that is or has to be listed in the register referred to in section 10 of the National Environmental Management: Protected Areas Act, 2003;

“public benefits organisation” means an organisation conducting specified public benefit activities as defined in the act and registered in terms of the Income Tax Act for tax reductions because of those activities.

“publicly controlled” means owned by or otherwise under the control of an organ of the state, including-

- (a) a public entity listed in the Public Finance Management Act, (Act 1/1999)
- (b) a municipality; or
- (c) a municipal entity as defined in the Municipal Systems Act

“public service infrastructure” means publicly controlled infrastructure as determined in terms of chapter 1 of the Local Government: Municipal Property Rates Act (Act 6/2004)

“Public Service Purposes”, in relation to the use of a property, means property owned and used by an organ of state as—

- (a) hospitals or clinics;
- (b) schools, pre-schools, early childhood development centres or further education and training colleges;
- (c) national and provincial libraries and archives;
- (d) police stations;
- (e) correctional facilities; or
- (f) courts of law, but excludes property contemplated in the definition of ‘public service infrastructure’

“rate” means a municipal rate on property envisaged in section 229(1)(a) of the Constitution;

“rateable property” means property on which a municipality may in terms of section 2 of the Act levy a rate, excluding property fully excluded from the levying of rates in terms of section 17 of the Act;

“Ratio”, in relation to section 19 of the Municipal Property Rates Act, means the relationship between the cent amount in the Rand applicable to residential properties and different categories of non-residential properties: Provided that the two relevant cent amounts in the Rand are inclusive of any relief measures that amount to rebates of a general application to all properties within a property category.

“rebate”, in relation to a rate payable on a property, means a discount on the amount of the rate payable on the property;

“Reduction”, in relation to a rate payable on a property, means the lowering of the amount for which the property was valued and the rating of the property at that lower amount;

“Residential property” means property included in a valuation roll in terms of section 48 (2) (b) of the Act (read with section 8) as residential inclusive of a suite of rooms which forms a living unit that is exclusively used for human habitation purposes, or a multiple number of such units on a property, excluding accommodation establishments, bed & breakfast, hotel, guest house, commune, boarding and undertaking, hostel, place of instruction and sectional title units.

“Sectional Titles Act” means the Sectional Titles Act, 1986 (Act 95 of 1986)

“Sectional title unit” means a unit defined in section 1 of the Sectional Titles Act;

“Specified public benefit activity” means an activity listed in item 1 (welfare and humanitarian), item 2 (health care) and item 4 (education and development) of Part 1 of the Ninth Schedule to the Income Tax Act:

“State-owned properties” means properties owned by the State, which are not included in the definition of public service infrastructure in the Act. These state-owned properties are classified as follows:

- (a) State properties that provide local services.
- (b) State properties that provide regional/municipal district-wide/ metro-wide service.
- (c) State properties that provide provincial/national service.

“The Act” means the Local Government Municipal Property Rates Act, 2004 (No. 6 of 2004).

(Herein after called “The Act”)

“Vacant land” means ~~all undeveloped land irrespective of its current or future intended zoning. Agricultural properties will not be considered as being vacant erven. means a property without any buildings or structures that could be used for residential or other purposes as determined by the Municipality.~~

3. PURPOSE OF THE POLICY

The policy document guides the annual setting (or revision) of property rates. It does not make specific property rates proposals. Details pertaining to the various property rates are determined when the budget is considered and approved every year

4. POLICY PRINCIPLES

Rates are levied in accordance with the Act as an amount in the Rand based on the market value of rateable property contained in the municipality's valuation roll and supplementary valuation rolls.

As allowed for in the Act, the municipality may choose to differentiate between various categories of property and categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The municipality does not, however, grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties, on an individual basis, other than by way of an exemption, rebate or reduction provided for in this policy.

The rates policy for the municipality is based on the following principles:

a. Equity

The municipality will treat all similar ratepayers with similar properties the same.

b. Affordability

The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, and/or reductions and/or rebates.

c. Sustainability

Rating of property will be implemented in a way that-

- i. It supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the municipality; and
- ii. Supports local social and economic development.

d. Cost efficiency

Rates will be based on the value of all rateable property and the amount required by the municipality to balance the operating budget after taking into account the amounts required to finance exemptions, rebates and reductions as approved by the municipality from time to time. The implementation of the policy must be as cost-effective as possible.

5. APPLICATION OF THE POLICY

In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

6. CLASSIFICATION OF SERVICES AND EXPENDITURE

The Chief Financial Officer shall, subject to the guidelines provided by the legislation and the Executive Mayor, provide for the classification of services as outlined in the Municipality's annual budget into trading and economic services.

7. CATEGORIES OF PROPERTIES

7.1 Criteria for determining categories of properties for the purpose of levying different rates and for the purpose of granting exemptions, rebates and reductions will be according to the—

- (a) use of the property
- (b) permitted use of the property, or

- (c) geographical area in which the property is situated.

7.2 Categories of property for the municipality may include, but not limited to-

Properties may be **categorised** as follows:-

- (a) Residential properties.
 - (i) Residential
 - (ii) Sectional Title Schemes
- (b) Institutional (university, school, church, mental hospitals, rehabilitation centres etc.)
- (c) Industrial/business properties
- (d) Farm properties used for-
 - (i) agricultural purposes;
 - (ii) other business and commercial purposes;
 - (iii) multiple purpose
 - (iv) residential purposes; or
 - (v) other than (i) to (iii).
- (e) Farm properties not used for any purpose.
- (f) Small holdings used for-
 - (i) agricultural purposes;
 - (ii) residential purposes;
 - (iii) industrial/commercial purposes;
 - (iv) multiple purposes; or
 - (v) other than (i) to (iv).

- (g) State-owned properties:
 - (i) State properties that provide local services
 - (ii) State properties that provide regional/municipal district-wide / metro-wide services.
 - (iii) State properties that provide provincial/national services

- (h) Municipal owned properties:
 - (i) Public Open Space
 - (ii) Special
 - (iii) Town Planning Scheme Border
 - (iv) Indefinite
 - (v) Subdivision area
 - (vi) Local Government Border (commonage)

- (i) Public service infrastructure

- (j) Privately owned towns/developments and open spaces serviced by the owner.

- (k) Formal and informal settlements on stands not subdivided into formal residential stands

- (l) Communal land as defined in the Communal Land Rights Act.

- (m) State trust land

- (n) Properties-
 - (i) acquired through Provision of Land and assistance Act, 1993 (Act 126 of 1993) or the Restitution of Land Rights Act, 1994 (Act 22 of 1994); **or**

- (ii) subject to the Communal Property Associations Act, 1996 (Act 28 of 1996).
- (o) Protected areas.
- (p) National monuments
- (q) Properties owned by public benefit organisations (Part 1 of the Ninth Schedule of the Income Tax Act (Act 58 of 1962)
- (r) Properties used for multiple purposes
- (s) Resort
- (t) Transport
- (u) Public benefit organisations
- (v) vacant land
- (w) accommodation establishments

Rates on properties, including properties used for multiple purposes, will be levied in accordance with the permitted or actual use of the property and not necessarily according to its zoning.

8. DIFFERENTIAL RATES

A municipality may levy different rates for different categories of rateable property, determined in subsection (2) and (3), which must be determined according to the—

- (a) use of the property;
- (b) permitted use of the property; or

(c) a combination of (a) and (b).

Differential rating among the various property categories will be done by way of setting different Cents in the Rand for each property category.

9. ~~MULTIPLE PURPOSE PROPERTIES~~

~~Properties used for multiple purposes will be categorized as follows for rating purposes:~~

- ~~(i) The entire property can be categorized in terms of the permitted use if the permitted use is regulated (zoning);~~
- ~~(ii) The entire property can be categorized in terms of the dominant (main or primary) use; or~~
- ~~(iii) by apportioning the market value of a property to the different purposes for which the property is used as determined in item 8 (categories of properties) above.~~
- ~~(iv) If the market value of the property can be apportioned, each portion must be categorized according to its individual use as determined in item 8 above. If the market value of the property cannot be apportioned to its various use purposes, then such a property must be categorized as either (i) or (ii) above and;~~
- ~~(v) applying the relevant cent amount in the rand to the corresponding apportioned market value.~~

10. CATEGORIES OF OWNERS

Criteria for determining categories of owners of properties, for the purpose of granting exemptions, rebates and reductions may be according to the-

- (a) indigent status of the owner of a property
- (b) sources of income or/and monthly household income of the owner of a property

- (c) owners of property situated within an area affected by-
 - (i) a disaster within the meaning of the Disaster Management Act, 20002 (Act no 57 of 2002) ; or
 - (ii) any other serious adverse social or economic conditions;
- (d) owners of residential properties with a market value below a determined threshold; or
- (e) owners of agricultural properties who are ***bona fide*** farmers.

11. LEVYING OF RATES

(1) Liability for rates by property owners:

Rates levied by a municipality on a property must be paid by the owner of the property, subject to Chapter 9 of the Municipal Systems Act.

Joint owners are jointly and severally liable for the amount due for rates on that property.

In a case of agricultural property owned by more than one owner in undivided shares where the holding of such undivided shares was allowed before the commencement of the subdivision of the Agricultural Land Act (Act 70 of 1970) the municipality may consider the following options for determining the liability for rates:

- (i) If the joint owners are all available, the issue of who is liable for rates will be dealt with in the context of whether they have entered into an agreement or not regarding payment of rates liabilities. Where the joint owners have a written agreement that a specific joint owner is liable for all the rates, the municipality will hold such a joint owner liable in respect of all the rates. A certified copy of the agreement must be submitted to the municipality.

Where there is no agreement, the municipality will hold anyone of the joint owners responsible for the whole property or hold any joint owner only liable for his undivided share.

- (ii) If the joint owners are not traceable with the exception of one joint owner and such joint owner is occupying or using the entire property or a significant larger portion the municipality will hold that joint owner liable for the total rates bill.
- (iii) If the traceable joint owner is only using or occupying a small portion of the entire property, the municipality will hold that joint owner only responsible for his own undivided share in that property

(2) Method and time of payment

The municipality will recover the rate levied in periodic instalments of equal amounts in twelve months. The instalment is payable on or before due date indicated on monthly account. Interest will be charged at 1% above the prime interest rate for any late payments received. For the interest calculation, part of a month will be calculated as a full month.

(3) Annual Payment Arrangements

By prior arrangement with the municipality the rate may be paid in a single amount before 30 September of the year it is levied in, however, application, **in writing**, must be submitted before 30 June prior to the financial year of implementation of the arrangement. The Director of Financial Services will consider any applications after this date.

(4) Recovery of arrear rates from owner

Recovery of arrear rates are dealt with in accordance with the Credit Control and Debt Collection Policy.

~~As soon as the annual rates becomes overdue or the monthly rates have been raised for the remaining months in the financial year, an overdue notice must be issued on the owner at the address selected by the owner.~~

~~If there is no response from the owner, a further overdue notice must be served at the property with a rider that the services to the property will be terminated within a reasonable period, the minimum being 30 days, should the rates not be paid or satisfactory arrangements made.~~

~~This notice must enquire whether the occupier is paying rent and other monies to an agent of the owner and state that the municipality can, legally, attach the net payment. (i.e. gross receipts by the agent less commission due to the agent on those gross receipts) due to the owner by the agent to settle the arrears. Should the tenant refuse to co-operate, the services must be disconnected and the other debt management actions implemented.~~

(5) Recovery of arrear rates from tenants, occupiers and agents

Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of the Act.

~~If an amount due for rates levied in respect of a property is unpaid after the day determined, the municipality may recover the amount in whole or in part from a tenant or occupier of the property. The amount the municipality might recover from the~~

~~tenant or occupier of the property is limited to the amount of the rent or other money due and payable by the tenant or occupier to the owner of the property. Any amount the municipality recovers from the tenant or occupier of the property may be set off, by the tenant or occupier, against any money owed by the tenant or occupier to the owner.~~

~~The municipality may recover the amount due for rates from an agent of the owner after it has given written notice to that agent or person. The amount the municipality may recover from the agent or other person is limited to the amount of that rent received by the agent or person, less the commission due to that agent or person. (Subject to the Estate Agents Act, 1976 (Act 112 of 1976). The agent or other person must, on request by the municipality, furnish the municipality with a written statement specifying all payments for rent on the property received by that agent or person during a period determined by the municipality.~~

~~If the managing agent is identified through the tenant's assistance, a copy of the notice, which was served on the tenant, must be served on the agent stating that failure to co-operate would lead to action being taken against the agent as well as the termination of the services at the supply address.~~

~~Should the payments by the agent not be able to redeem the arrears within the next 12 months, the monies must be attached and the next step in the debts management plan of the municipality implemented. The municipality may however decide to extend the 12 month period to such longer period that they deem fit based on the merit.~~

(5) Deferral of payment of rates liabilities

Refer to credit control policy

(6) Supplementary Valuation Debits

In the event that a property has been transferred to a new owner and a Supplementary Valuation took place, the previous owner as well as the new owner will jointly and separately be held responsible for the settling the supplementary rates account.

(7) Ownership

Properties, which vest in the Municipality during developments, i.e. open spaces and roads should be transferred at the cost of the developer to the Municipality.

Until such time, rates levied will be for the account of the developer.

(8) Clearance Certificate

8.1 On the sale of any property in the municipal jurisdiction, Council will withhold the transfer until all rates, service and sundry charges and any estimated amounts for the duration of the certificate in connection with the property are paid, by withholding a clearance certificate.

8.2 When debt has been written off as irrecoverable it will not be recovered again when a clearance certificate on a property is issued.

8.3 The municipality will issue such clearance certificate on receipt of an application on the prescribed form from the conveyor.

8.4 All payments will be allocated to the subject property.

- 8.5 No interest shall be paid in respect of these payments.
- 8.6 The Municipality will only issue a clearance certificate once a completed prescribed application form from the conveyer has been received.
- 8.7 Where any residential or non-residential debtor has entered into an arrangement with the Municipality in respect of the arrears on a property, the prescribed certificate as referred to in Section 118 of the Systems Act, will not be issued until such time as the full outstanding amount have been paid.
- 8.8 The rates clearance certificate validation period is 60 days and the amount due for payment is calculated as follows:
- a. Applications received between the 1st and the 14th of the month will include 3 (three) months advance collections plus all current outstanding debt on the property.
 - b. Applications received between the 15th and the end of the month will include 4 (four) months advance collections plus all current outstanding debt on the property.

~~Rates Clearance Certificates will be valid as determine by sec 118 of the Municipal Systems Act, 32 of 2000. Rates Clearance certificate will only be issued if all conditions according to sec 118 of the Municipal Systems Act, 32 of 2000, has been met.~~

(9) Levying of rates on property in sectional title schemes

A rate on property, which is subject to a sectional title scheme, will be levied on the individual sectional title units in the scheme.

12. IMPERMISSIBLE RATES

A municipality may not levy the following rates in terms of sections 16 (1) and 17 (1) of the Act:

- (1) Rates that would prejudice national economic policies.

- (2) Rates that would prejudice economic activities across boundaries
- (3) Rates that would prejudice national mobility of goods, services, capital or labour.

(see conditions under section 16(2-5) of the Property Rates Act)

- (4) On the first 30% of market value of public service infrastructure
- (5) On any part of the seashore as defined in the Seashore Act
- (6) On any part of the territorial waters of the Republic in terms of the Marine Zones Act (15/1994)
- (7) On any island of which the state is the owner including the Prince Edward Islands
- (8) On a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management Biodiversity Act of 2004 which are not developed or used for commercial, business or residential agricultural purposes.
- (9) On a mineral right within the definition of property.
- (10) On a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary's title was registered in the office of the Registrar of deeds
- (11) On the first R 15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll to a category determined as residential property or multiple used property provided that one or more component is used for residential purposes.
- (12) On property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community, which is occupied by an office-bearer of that community who is, officiates at services at that place of worship.

(The exclusion lapses if not used for the purposes as indicated above).

(See conditions under section 17(2-5) of the Property Rates Act)

13. EXEMPTIONS, REBATES AND REDUCTIONS

The following criteria may be taken into consideration for the purpose of granting exemptions, reductions and rebates:

- indigent status of the owner of a property;
- income of the owner and/or household on a property;
- Owners temporarily without income
- The services provided to the community by public service organisations
- The need to preserve the cultural heritage of the local community
- The need to encourage the expansion of public service infrastructure
- The indispensable contribution which property developers make towards local economic development and the continuing needs to encourage such development
- market value of residential property below a determined threshold;
- owners of property situated within an area affected by –
 - a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
 - any other serious adverse social or economic conditions;
- zoning and/or actual use of the property; and
- availability of services funded by rates for a property.

To qualify for the rebate a property owner must:

- (i) occupy the property as his/her normal residence;
- (ii) be at least 60 years of age **or** in receipt of a disability pension from the Department of Welfare and Population Development;

- (iii) be in receipt of a total monthly income from all sources (including income of spouses of owner) not exceeding the amount annually set by the council;
- (iv) not be the owner of more than one property; and
- (v) provided that where the owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement.
- (vi) Owners of rateable property registered in the name of institutions or organisations, which in the opinion of the council, performs welfare, charitable and humanitarian work; cultural work; amateur sport and social activities; protect or maintain collections or buildings of historical or cultural interest, including art galleries, archives and libraries; conservation; environment and animal welfare; education and development; health care; agricultural (Experimental farms); municipal property and usage where the council is engaged in land sales transactions which take place after the financial year has started; where the municipality register a road reserve or servitude on a privately owned property a pro-rata rebate equal to the value of the reserve or servitude will be given to the owner; state hospitals, clinics and institutions for mentally ill persons, which are not performed for gain.

Property owners must apply on a prescribed application form for a rebate as determined by the municipality.

Applications must be accompanied by—

- (i) a certified copy of the identity document or any other proof of the owner's age which is acceptable to the municipality;
- (ii) sufficient proof of income of the owner and his/her spouse;

- (iii) an affidavit from the owner;
- (iv) if the owner is a disabled person proof of a disability pension payable by the state must be supplied; and
- (v) if the owner has retired at an earlier stage for medical reasons proof thereof must be submitted.

These applications must reach the municipality before the end of May preceding the start of the new municipal financial year for which relief is sought.

The municipality retains the right to refuse rebates if the details supplied in the application form are incomplete, incorrect or false.

12.1 EXEMPTIONS

The following properties **may be** exempted from rates

- (i) municipal properties
- (ii) municipal public infrastructure
- (iii) informal settlements
- (iv) museums
- (v) national monuments
- (vi) property lower in value than the amount determined by the municipality
- (vii) a right registered against immovable property
- (viii) public benefit organisations use their property for specific public benefit activities and listed in part 1 of the 9th schedule of the Income Tax Act
- (ix) Cemeteries & Crematoriums
- (x) 30% of Public Service Infrastructure

12.2 REBATES

Categories of properties & owners

Rebates for the following categories of owners will be considered:

(a) Rebates in respect of income categories:

The following owners may be granted a rebate on, or a reduction in the rates payable on their property if they meet the following criteria-

- Registered owner of the property that resides on the property;
- Income must not exceed an amount annually set by the Council

(b) Public benefit organisations:

(i) Welfare and humanitarian

Rateable property registered in the name of an institution or organisation, which, in the opinion of the council, performs welfare and humanitarian work as contemplated in the ninth Schedule of the Income Tax Act, 1962 (Act 58 of 1962).

Rateable property, registered in the name of a trustee or trustees or any organisation, which is maintained for the welfare of war veterans.

(ii) Cultural:

Rateable property registered in the name of Boy Scouts, Girl Guides, Sea Scouts, Voortrekkers or any other organisation which in the opinion of the council is similar or any rateable property let by a council to any of the said organizations.

The promotions, establishment, protection, preservation or maintenance of areas, collections or buildings of historical or cultural interest, national monuments, proclaimed national heritage sites, museums, including art galleries, archives and libraries.

(iii) Sports:

Sports grounds used for the purpose of amateur and any social activities, which are connected with such sport.

(iv) Conservation, environment and animal welfare:

Means properties that is registered in the name of an organisation or institution that is engaging in the conservation, rehabilitation or protection of the natural environment, including flora and fauna. Rateable property registered in the name of an institution or organisation, which has as its exclusive objective the protection of tame or wild animals or birds.

(v) Education and development:

Rateable property registered in the name of an educational institution established, declared or registered by or under any law.

(vi) Health care:

Rateable property registered in the name of an institution or organisation which has as its exclusive objective is health care or counselling of terminally ill persons or persons with a severe physical or mental disability and persons affected with HIV/AIDS.

(c) Agricultural (Experimental Farms):

Rateable property, registered in the name of an agricultural society affiliated to or recognised by the South African Agricultural Union, which is used for the purposes of such a society.

(d) Municipal property and usage:

A pro-rata rebate will be granted where the municipality is engaged in land sales transactions which have taken place after the financial year has started. Where the municipality register a road reserve or servitude on a privately owned property a pro-rata rebate equal to the value of the reserve or servitude will be given to the owner of the property.

(e) Municipal interim valuation:

When a municipal interim valuation is effected during a financial year a pro-rata rebate will be given from the beginning of the financial year until the interim valuation became effective as per Section 78 (2)b of the Act.

(f) Rateable property registered in the name of the Council, if such property is used in supplying electricity, water, or sewerage services

(g) State hospitals, state clinics and institutions for mentally ill persons, which are not operated for gain;

(h) Rateable property registered in the name of an institution or organisation which, in the opinion of the Council, performs charitable work;

(i) Local, Social And Economic Developments

The municipality may grant rebates to organisations that promote local, social and economic development in its area of jurisdiction based on the criteria determined in its local, social and economic development policy.

The following criteria will apply:

- (a) job creation in the municipal area;
 - (b) social upliftment of the local community; and poverty alleviation to the indigents
 - (c) Improve local economic growth
 - (d) Promote service delivery
- (j) Agricultural properties will be granted rebates as determined by Council in its annual Budget.
- (k) An additional 10% rebate calculated as follow could also be granted:
- | | | |
|-------|--|-------|
| i. | 1 x Two bedroom houses on property | 1.00% |
| ii. | 2 x Two bedroom houses on property | 2.00% |
| iii. | 3 x Two bedroom houses on property | 4.00% |
| iv. | >3 x Two bedroom houses on property | 5.00% |
| v. | If electricity provided to worker's houses | 0.25% |
| vi. | If water is provided to worker's houses | 0.25% |
| vii. | If sewer is provided to worker's houses | 0.25% |
| viii. | If refuse is removed from worker's houses | 0.25% |
| ix. | If school on property or transport is provided to learners | 1.00% |
| x. | If sport facilities on property | 1.00% |
| xi. | If transport to nearest town is provided at no cost to workers at least once per month | 1.00% |
| xii. | If training is provided to workers | 1.00% |

The above additional 10% will only be granted to Bona Fide farmers with submission of the following documentation with their application:

- (i) Proof of VAT registration
- (ii) Existing account must not be in arrears with the Municipality.
- (iii) Copy of I.D. document of all workers residing on the farm

Drought relief can be sought in years when the Municipal area or Region is classified as a drought disaster area by Provincial or National Authorities.

Agricultural Properties qualifying for the rebate in terms of 12.2(k) may apply for an additional 5 % drought relief rebate.

The application must be lodged together with the abovementioned rebate application and must include proof of substantial loss of income because of the drought. Evidence can include, but is not limited to:

- Audited Financial Statements or Management Accounts
- Produce delivery statements
- Letter from the Company's Banker stating the year-on-year loss of income

Applications will be considered by the Financial Services committee for approval.

Applications for the rebate must be submitted before the 15 July of the financial year for which relief is sought. The additional rebate can only be granted on the value of property as it appears on the valuation roll. Properties of the same owner but valued separately cannot be added together for the calculation purposes.

12.3 REDUCTIONS

~~Categories of property~~

- ~~(1) A reduction in the municipal valuation as contemplated in section 15(1)(b) of the Act will be granted where the value of a property is affected by fire damage, demolition or floods or any area declared as a disaster area in terms of the Disaster Management Act. The reduction will be in relation to the certificate issued for this purpose by the municipal valuer~~
- ~~(2) any other serious adverse social or economic condition;~~

14. COSTS OF EXEMPTIONS, REBATES, REDUCTIONS, PHASING IN OF RATES

- (1) During the budget process the Chief Financial Officer must inform council of all the costs associated with the suggested exemptions, rebates, reductions, phasing in of rates.
- (2) Provisions must be made in the operating budget –
 - (a) for the full potential income associated with property rates; and
 - (b) for the full costs associated with exemptions, rebates, reductions, phasing in of rates.
 - (c) A list of all exemptions, rebates, reductions, exclusions, phasing in etc. must be tabled before council.

15. ADDITIONAL RATING AREA

The municipality may by council resolution determine an area within its boundaries as a special rating area for the purpose of raising funds for improving or upgrading that area; and differentiate between categories of property when levying an additional rate

Before determining a special rating area the municipality must consult the local community on the proposed boundaries of the area, the proposed improvement or upgrading of the area and obtain the consent of the majority of the ratepayers in that proposed special rating area.

The municipality must determine the boundaries and indicate how the area is to be improved or upgraded by the funds derived from the additional rate. Establish a separate accounting and record-keeping system regarding the revenue generated by the special rate and the improvement or upgrading of the area.

The municipality may establish a committee composed of persons representing the community to act as a consultative and advisory forum. Representatively, including gender must be taken into account when such a committee is established.

16. RATE INCREASES/DECREASES

- (1) The municipality may consider increasing/decreasing rates annually during the budget process.
- (2) Rate increases will be used to finance the increase in operating costs of rates funded services.
- (3) Rates adjustments may be made taking into account all or any of the following factors:
 - all salary and wage increases as agreed at the South African Local Government Bargaining Council;
 - inflation;
 - the cost of capital;
 - statutory increases affecting the Municipality; and
 - increases or decreases on operating subsidies received

17. NOTIFICATION OF RATES

- (1) The council will give notice of all rates approved at the annual budget meeting at least 30 days prior to the date that the rates become effective. Accounts delivered after the 30 days' notice will be based on the new rates.
- (2) A notice stating council's resolution, date on which the new rates shall become operational will be published in the media and the **Provincial Gazette** and displayed by the municipality at places installed for that purpose.

18. CORRECTION OF ERRORS AND OMISSIONS

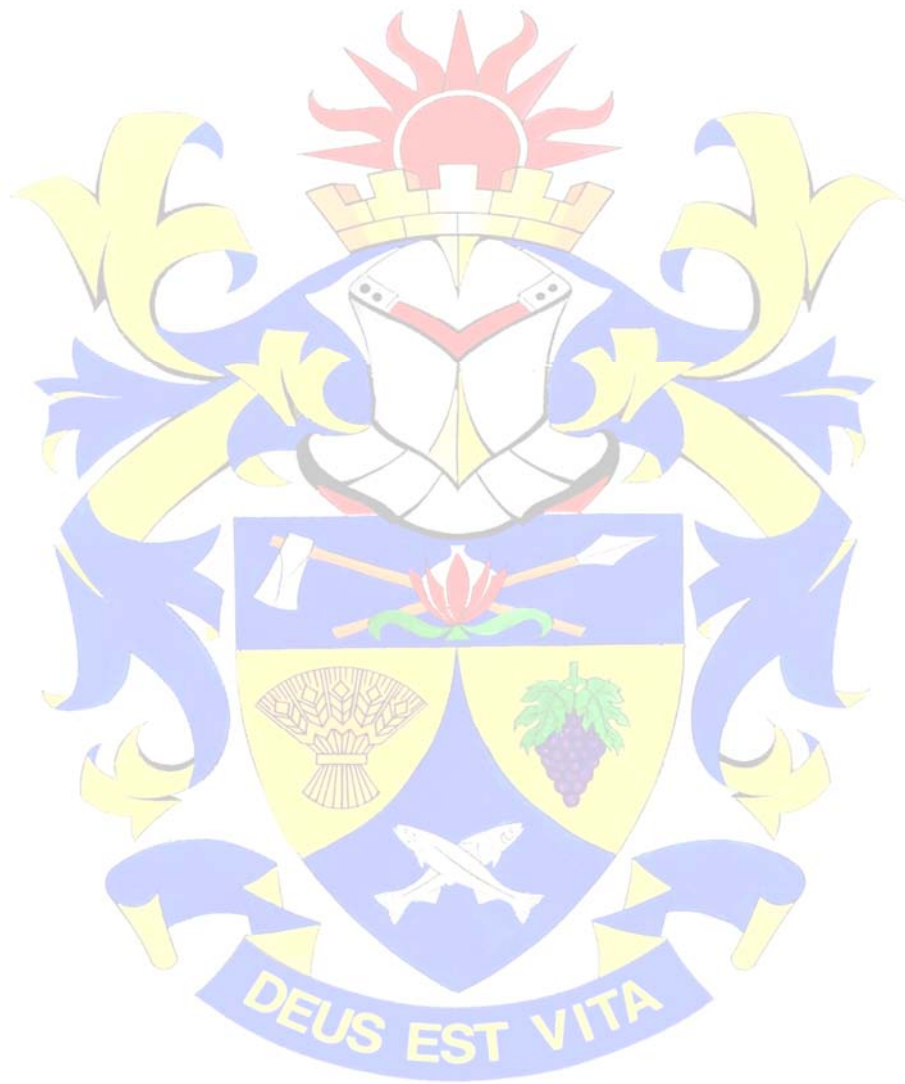
Where the rates levied on a particular property have been incorrectly determined, whether by an error or omission on the part of the municipality, or false information provided by the property owner concerned, or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected, back to the date on which rates were first levied in terms of the current valuation roll. In addition, where the error occurred because of false information provided by the property owner or because of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

19. SHORT TITLE

This policy is the **Rates Policy** of the **Bergrivier Local Municipality**.

BERGRIVIER

Munisipaliteit / Municipality



TARIEF BELEID

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1. ALGEMENE INLEIDING EN DOELWIT

- 1.1 Ingevolge die bepalings van artikel 74 van die Wet op Plaaslike Regering: Munisipale Stelselswet, Wet 32 van 2000, moet 'n tariefbeleid saamgestel, goedgekeur en geïmplementeer word en moet sodanige beleid onder andere voorsiening maak vir die heffing van fooie vir die lewering van munisipale dienste deur die munisipaliteit self of ooreenkomstig dienslewering-ooreenkomste. ~~Tans word 'n artikel 78 ondersoek gedoen ten opsigte van die verspreiding en suiwering van water, maar word~~ Alle munisipale dienste tans gelever deur die Munisipaliteit en is geen dienslewering ooreenkomste van toepassing nie.
- 1.2 Die tariefbeleid is saamgestel met inagneming, waar toepaslik, van die riglyne soos uiteengesit in artikel 74 ~~(sien deel 9 van die beleid).~~
- 1.3 Wanneer die Raad die jaarlikse tariewe vasstel, moet tariewe wat elders geld in die Weskus Distriksgebied in ag geneem word asook die impak wat die raad se eie tariewe kan hê op plaaslike ekonomiese ontwikkeling.

2. ALGEMENE BEGINSELS

- 2.1 Dienstetariewe wat neergelê word deur die munisipaliteit moet gesien word as verbruikersheffings en nie as belastinge nie en dus kan die vermoë om te betaal vir die dienste van die betrokke verbruikers of gebruikers van dienste waarop die tariewe van toepassing is, nie as relevante kriteria oorweeg word nie (behalwe in die geval van noodlenigingsmaatreëls soos van tyd tot tyd goedgekeur deur die munisipaliteit).
- 2.2 Die munisipaliteit moet toesien dat tariewe eenvormig en regverdig deur die hele munisipale gebied toegepas word.
- 2.3 Tariewe vir die vier grootste dienste wat deur die munisipaliteit gelever word, naamlik:
- 2.3.1 elektrisiteit
 - 2.3.2 water
 - 2.3.3 riool (afvalwater)
 - 2.3.4 vullisverwydering (soliede afval)

moet sover moontlik uitgawes verhaal wat verband hou met die lewering van elke betrokke diens en die rekening bedryf soos handelsrekenings, behalwe in die geval van vullisverwydering. Die tarief wat deur 'n bepaalde verbruiker of verbruiker betaal word, moet direk verband hou met die diens gelever en die hoeveelheid wat gebruik is.

(Let wel: Belastinge word eksklusief aangespreek in 'n belastingbeleid en word gevolglik uitgesluit uit hierdie beleidsdokument)

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- 2.4 Die munisipaliteit moet, sover as wat omstandighede dit toelaat, toesien dat tariewe gehef met betrekking tot voorgaande dienste, binne 'n finansiële jaar 'n bedryf surplus van minimum 10% sal laat realiseer met die opstel en goedkeuring van die jaarlikse bedryfs begroting. Sodanige surplusse moet aangewend word vir die verligting van eiendomsbelasting en die gedeeltelike finansiering van algemene dienste of vir die toekomstige kapitaal uitbreiding van die betrokke diens, of albei. (Hierdie bepaling is egter nie van toepassing op die vullisverwyderings diens nie).
- 2.5 Die Raad moet 'n noodlenigingshulpprogram vir die munisipale gebied ontwikkel, goedkeur en ten minste jaarliks hersien. Die program moet die munisipaliteit se invorderingsbeleid duidelik uiteensit ten opsigte van tariewe wat gehef is op geregistreerde hulpbehoewendes en die implikasie van so 'n beleid op ander verbruikers en verbruikers in die munisipale gebied. (Vir die doel het die Raad reeds 'n volledige goedgekeurde hulpverleningbeleid aan armlastige gesinne – 'indigent').
- 2.6 Die munisipaliteit kan, in lyn met die beginsels vervat in die Grondwet en ander wetgewing ten opsigte van plaaslike regering, onderskeid tref tussen die verskillende verbruikers- en verbruikerskategorieë met betrekking tot die tariewe wat gehef word. Sulke onderskeid moet nogtans te alle tye redelik wees en moet volledig uiteengesit word in elke jaarlikse begroting.
- 2.7 Die munisipaliteit se tariefbeleid moet deursigtig wees en die mate waartoe daar 'n kruissubsidie tussen die kategorieë verbruikers en verbruikers bestaan, moet duidelik wees vir alle verbruikers en verbruikers van die betrokke diens.
- 2.8 Die munisipaliteit moet verder toesien dat die tariewe maklik verstaanbaar is deur alle verbruikers en verbruikers wat deur die tariefbeleid geraak word.
- 2.9 Die munisipaliteit moet ook toesien dat dienste koste-effektief gelewer word ten einde die beste moontlike koste van dienslewering te verseker.
- 2.10 In die geval waar dienste direk gemeet kan word, naamlik elektrisiteit en water, moet die verbruik van hierdie dienste behoorlik gemeet word deur die munisipaliteit en meters moet op 'n maandelikse basis gelees word, soos omstandighede dit redelik toelaat, of waar nie van voorafbetaalde meters gebruik gemaak word nie. Die kostes wat ten opsigte van verbruikers gehef word, moet in verhouding wees met die hoeveelheid eenhede wat hulle verbruik.
- 2.11 Daarbenewens kan die munisipaliteit maandeliks beskikbaarheidsfooie of basiese fooie hef vir die betrokke dienste en kostes moet bepaal word vir elke tipe diens soos bepaal ingevolge die beleidsriglyne hieronder uiteengesit. Gewoonlik betaal verbruikers van water en elektrisiteit dus twee heffings: basiese vaste koste, wat nie verband hou met die volume van verbruik nie en wat gehef word ten opsigte van die beskikbaarheid van die betrokke diens; die ander hou direk verband met die verbruik van die betrokke diens.

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- 2.12 Wanneer die koste van water, elektrisiteit en riooldienste oorweeg word, moet die munisipaliteit die kapitaalkoste in ag neem met betrekking tot die daarstelling en uitbreiding van sodanige dienste en van die gevolglike vaste koste in teenstelling met die wisselende koste om hierdie dienste te administreer. Die munisipaliteit moet dus onderneem om die bestuur en uitbreiding van dienste versigtig te beplan ten einde te verseker dat voldoende voorsiening gemaak is ten opsigte van sowel die huidige asook toekomstige verbruik en dat hierdie vlakke, wat kan wissel, oor korter tydperke ook aangespreek word. Dit kan beteken dat die dienste teen minder as die volle kapasiteit oor verskillende tydperke gelewer word en moet voorsiening in die jaarlikse tariewe gemaak word vir die koste verbonde aan hierdie surplus kapasiteit.
- 2.13 Wanneer 'n tweeledige tariewestruktuur, naamlik die beskikbaarheid fooi (basiese fooi) gekoppel aan 'n heffing, asook op verbruike, goedgekeur word, is die munisipaliteit van mening dat voldoende voorsiening gemaak is in die behoeftes van beide toekomstige ontwikkeling en wisselende aanvraag siklusse asook ander afwykings.
- 2.14 Dit word ook aanvaar dat 'n gedeelte van die munisipaliteit se tariewe beleid vir elektriese dienste moet verseker dat sodanige verbruikers, wie hoofsaaklik verantwoordelik is vir spitsstyl verbruik en gevolglik verwante gebruik heffings by Eskom tot gevolg het, die koste ten opsigte van hierdie heffings moet dra. Vir hierdie doeleindes moet die munisipaliteit meters installeer ten einde die maksimum aanvraag van sodanige verbruikers oor 'n bepaalde tydperk te monitor. Hierdie verbruikers betaal dus die betrokke aanvraag heffing sowel as 'n dienste- heffing wat direk verband hou met die werklike verbruik van elektrisiteit gedurende die bepaalde meter tydperk.
- 2.15 Die Raad kan ook as aansporingsmaatreëls om ontwikkeling te stimuleer en aan te moedig, tariewe en heffings vrystel, tydelik vrystel en/of rabatte instel. Die toekenning van aansporingsmaatreëls sal in elk geval op meriete, individueel beoordeel word en sal die toekenning daarvan gebaseer word op grond van swartbemaatting, werkskepping, ens.
- 2.16 Waar daar meer as een aansluiting vir 'n diens per erf is, sal elke aansluiting geag word as 'n aansluitingspunt en sal die basiese dienste op elke aansluiting van toepassing wees.

3. BEPALING VAN TARIEWE VIR GROOTMAAT DIENSTE

- 3.1 Ten einde tariewe te bepaal wat gehief moet word vir die verskaffing van die vier groot dienste, moet die munisipaliteit die lopende koste identifiseer, wat die volgende insluit:
- 3.1.1 Koste van grootmaat aankope in die geval van water en elektrisiteit;
- 3.1.2 Verspreidingskoste;

- 3.1.3 Verspreiding verliese in die geval van elektrisiteit en water.
- 3.1.4 Waardevermindering;
- 3.1.5 Onderhoud van infrastruktuur en ander vaste bates;
- 3.1.6 Administrasie en dienste koste, insluitend –
 - 3.1.6.1 kostes gehef deur ander departemente;
 - 3.1.6.2 redelike algemene oorhoofse uitgawes, byvoorbeeld koste wat verband hou met die kantoor van die munisipale bestuurder.
- 3.2 Voldoende bydraes met betrekking tot slegte skuld.
- 3.3 Alle ander werk uitgawes wat verband hou met die betrokke diens, insluitend, in die geval van elektrisiteit, die koste om straatbeligting in die munisipale gebied te voorsien (let wel – die koste van die demokratisering proses binne die munisipaliteit, d.i. alle uitgawes wat verband hou met die politieke struktuur van die munisipaliteit, moet deel vorm van die uitgawes wat gefinansier word deur erfbelasting en algemene inkomstes, en mag nie ingesluit word in die koste van grootmaat dienste gelewer deur die munisipaliteit nie).
- 3.4 Die verwagte surplus wat vir die finansiële jaar gegeneer word, moet soos volg aangewend word:
 - 3.4.1 toewysing aan kapitaal reserwes; en/of
 - 3.4.2 in die algemeen om belasting en algemene dienste te verlig.
- 4. ELEKTRISITEIT**
- 4.1 Die toepaslike tariewe, soos goedgekeur deur die Raad, moet gehef word ten opsigte van die onderskeie kategorieë elektrisiteitsverbruikers, soos hieronder uiteengesit,
- 4.2 Tariefaanpassings sal in werking tree vanaf die eerste rekening wat gelewer word na 1 Julie van elke jaar.
- 4.3 Die verbruiks- en heffingskategorieë is soos volg:
 - 4.3.1 Alle gemete elektrisiteitsverbruikers moet 'n rekening ontvang ten opsigte van elektrisiteitsverbruik, gehef teen die toepaslike kategorie waarin die betrokke verbruiker val.
 - 4.3.2 Die tarief vir huishoudelike elektrisiteitsverbruik mag nie 75% per kwh. van die tarief van toepassing op ander verbruikers oorskry nie. Alle ander

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verbruikers, insluitende besighede, nywerhede en institusionele verbruikers moet dieselfde tarief per kwh. betaal.

- 4.4 Ten einde elektrisiteit verbruik te bestuur, word bloktariewe in die vorm van glyskale gebruik.
- 4.5 Die munisipaliteit verskaf die eerste 50kwh elektrisiteit per maand gratis aan geregistreerde hulpbehoewendes deernisgevalle en huishoudelike enkelfase aansluitings, waar die aansluiting vrywilliglik tot 20 ampêre beperk word.
- 4.6 Alle ander huishoudelike elektrisiteitsverbruikers, met uitsluiting van gebruikers in 4.5 moet addisioneel aangeslaan word vir 'n basiese heffing per geïnstalleerde meter.
- 4.7 Alle handels-, nywerheids- en ander nie-huishoudelike eiendom met konvensionele meters moet addisioneel aangeslaan word met 'n maandelikse basiese heffing per meter en waar toepaslik, moet 'n aanvraagheffing wat verband hou met hulle onderskeie vlakke van verbruik, ingestel word.
- 4.7 Die munisipaliteit se departementele elektrisiteitsverbruik moet teen kosprys gehef word.

5 WATER

- 5.1 Die kategorieë van waterverbruik soos hieronder uiteengesit, moet gehef word teen die toepaslike tariewe soos goedgekeur deur die Raad tydens elke jaarlikse begroting.
- 5.2 Tarief aanpassings sal in werking tree vanaf die eerste rekening wat gelewer word na 1 Julie van elke jaar.
- 5.3 Die kategorieë van verbruik en heffings is soos volg:
 - 5.3.1 Hulpbehoewende huishoudelike waterverbruikers wat vir een of meer dienste van die Raad aangesluit is, ontvang die eerste 6 (ses) kl. water wat per maand gebruik word, gratis. Daarna sal 'n progressiewe tarief per kl. geld soos vasgestel deur die Raad van tyd tot tyd en soos uiteengesit in **Paragraaf 5.3.2** van hierdie beleidⁱ.
 - 5.3.2 Alle ander huishoudelike verbruikers sal aangeslaan word vir werklike waterverbruik teen 'n progressiewe tarief per kl. soos vasgestel deur die Raad van tyd tot tyd. Die tarief vir huishoudelike verbruik moet gebaseer wees op 'n maandelikse verbruik van:

tot en met 6 kl;
7 kl tot 20 kl ;
21 kl tot 50 kl;
51 kl tot 100 kl;

101 kl tot 200 kl,
201 kl tot 1 000 kl,
1001 kl tot 1 500 kl;
1 501 kl tot 2 000 kl;
en meer as 2000kl

(Let wel): Bogenoemde glyskaal van tariewe kan tydens noodmaatreëls as gevolg van waterskaarste aangepas word met 'straf' tariewe as water beperkende maatreëls en as 'n instrument om waterbesparings af te dwing.

- 5.4 Die tarief van toepassing op huishoudelike waterverbruik mag nie die toepaslike tarief ten opsigte van ander verbruikers met 75% oorskry nie. Alle ander verbruikers, met die uitsondering van die deur die raad bepaal, insluitende besighede, nywerhede en institusionele verbruikers, moet dieselfde enkele tarief per kl. betaal, ongeag die volume water wat verbruik is.
- 5.5 'n Basiese heffing per watermeter kan deur die Raad van tyd tot tyd vasgestel word en sal geld ten opsigte van alle waterverbruikers, behalwe vir verbruikers met voorafbetaalde meters.
- 5.6 Die munisipaliteit se departementele waterverbruik sal teen kosprys aangeslaan word.

6 VULLISVERWYDERING

- 6.1 Die kategorieë vullisverwyderingverbruikers soos hieronder uiteengesit, moet aangeslaan word teen die toepaslike tariewe, soos goedgekeur deur die Raad tydens elke jaarlikse begroting.
- 6.2 Tariefaanpassings sal in werking tree vanaf die eerste rekening wat gelewer word na 1 Julie van elke jaar.
- 6.3 'n Aparte vaste maandelikse vullisverwyderingheffing is op elk van die volgende kategorieë verbruikers van toepassing, gebaseer op die koste van die betrokke diens:
- 6.3.1 Huishoudelike en ander verbruikers (verwydering een keer per week)
 - 6.3.2 Besighede en ander verbruikers (verwydering twee keer per week)
 - 6.3.3 Groter besighede en ander verbruikers (verwydering drie keer per week)
 - 6.3.4 Besighede en ander (grootmaatverbruikers)
- 6.4 Geregistreerde hulpbehoewendes kan korting kry op hierdie heffing soos deur die Raad bekostigbaar geag tydens die goedkeuring van elke jaarlikse begroting, maar met die verstandhouding dat sodanige korting nie meer as 100% van die maandelikse rekening ten opsigte van die vullisverwydering heffing beloop nie.

- 6.5 'n Vaste maandelikse heffing, wat nie die huishoudelike heffing mag oorskry nie, is betaalbaar deur die munisipaliteit se departemente.

7 RIOOL

- 7.1 Die kategorieë van rioolverbruikers soos hieronder uiteengesit moet maandeliks aangeslaan word teen die toepaslike tarief soos goedgekeur deur die Raad tydens elke jaarlikse begroting.
- 7.2 Tariefaanpassings sal in werking tree vanaf die eerste rekening wat gelewer word na 1 Julie van elke jaar.
- 7.3 Die kategorieë vir gebruik en heffings is soos volg:
- 7.3.1 'n Vaste maandelikse fooi gebaseer op die koste van die diens moet gehef word ten opsigte van alle huishoudelike wooneenhede insluitende woonstelle, deeltitel- en tyddeeleenhede.
- 7.3.2 Geregistreerde hulpbehoewendes kan korting ontvang mits die Raad dit as bekostigbaar ag tydens die goedkeuring van elke jaarlikse begroting, maar met die verstandhouding dat hierdie korting nie meer as 100% van die maandelikse rekening vir hierdie diens sal beloop.
- 7.3.3 'n Vaste maandelikse fooi, gebaseer op die koste vir die diens moet gehef word ten opsigte van alle besighede, nywerhede en institusionele verbruikers.
- 7.3.4 'n Vaste maandelikse fooi gelykstaande aan die laagste (huishoudelike) tarief, moet gehef word ten opsigte van die munisipaliteit se departemente.
- 7.3.5 'n Afvalwaterfooi is voorts betaalbaar deur fabrieke en ander nywerhede waar afvalwater, wat afkomstig is vanaf hierdie verbruikers, spesiale suiwerings- maatreëls deur die munisipaliteit vereis. Sodanige fooie moet gebaseer wees op die toksiese inhoud van die betrokke afvalwater en die koste vir die suiwering.

8 ANDER TARIWE

- 8.1 Ander tariewe, naamlik alle tariewe uitgesonderd water, elektrisiteit, riool en vullisverwydering.
- 8.2 Alle ander tariewe moet gestandaardiseer wees binne die munisipale gebied
- 8.3 Alle ander tariewe moet deur die Raad goedgekeur word tydens elke jaarlikse begroting en moet, waar raadsaam geag deur die Raad, deur erfbelasting en algemene inkomste gesubsidieer word, veral wanneer die tariewe onekonomies blyk te wees wanneer die betrokke diens se koste gedek moet word, of wanneer die koste nie

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akkuraat bepaal kan word nie, of wanneer die tarief daarop gemik is slegs om die betrokke diens of gerief te reguleer eerder as te finansier.

- 8.4 Alle ander tariewe waaroor die munisipaliteit volle beheer het en wat nie direk verband hou met die koste van 'n betrokke diens nie, moet jaarliks aangepas word om ten minste in lyn te wees met die heersende verbruikersprysindeks, mits daar goeie redes is hoekom 'n aanpassing nie gedoen gaan word nie.
- 8.5 Die volgende dienste behoort as gesubsidieerde dienste geag word en die tariewe hefing behoort sover moontlik die jaarlikse werklike uitgawes waarvoor begroot is te dek vir die betrokke diens:
- 8.5.1 begrafnisse en begraafplase
 - 8.5.2 huur vir die gebruik van munisipale sportfasiliteite
 - 8.5.3 munisipale swembad
 - 8.5.4 munisipale museums
 - 8.5.5 verwydering van tuin-en besigheidsafval na die munisipale stortingsterrein
 - 8.5.6 ander diverse tariewe bv. verhuur van toerusting, bouplangelde, grondgebruik beplanning, ens.
- 8.6 Die volgende dienste moet as gemeenskapsdienste beskou word en geen tariewe mag hefing word vir die gebruik daarvan nie:
- 8.6.1 munisipale biblioteek (behalwe vir boetes)
 - 8.6.2 munisipale tuine en alle ander parke en openbare oop ruimtes
- 8.7 Die volgende dienste behoort as ekonomiese dienste beskou word en die tariewe hefing behoort 100%, of so na as moontlik aan 100%, die begrote jaarlikse werklike uitgawes van die betrokke diens te dek.
- 8.7.1 onderhoud van grafte en gedenk tuin
 - 8.7.2 huishuur
 - 8.7.3 huur vir die gebruik van munisipale sale en ander persele (onderworpe aan die voorwaardes soos hieronder uiteengesit)
 - 8.7.4 bouplanfooie
 - 8.7.5 verkoop van plastiek vullissakke
 - 8.7.6 verkoop van vullisdromme
 - 8.7.7 skoonmaak van persele
 - 8.7.8 elektrisiteit, water, riool, nuwe aansluitingsfooie

- 8.7.9 verkoop van plante
- 8.7.10 fotostatiese afdrukke en fooie
- 8.7.11 uitklaringssertifikate en ander sertifikate (bv. sonering)
- 8.7.12 aansoekfooie vir grondgebruik
- 8.7.13 dorpskaarte en soneringsplanne
- 8.8 Die volgende heffings en tariewe moet as 'n regulerende of strafmaatreël oorweeg word en moet toepaslik oorweeg word tydens elke jaarlikse begroting.
 - 8.8.1 boetes vir verlore of laat biblioteekboeke
 - 8.8.2 skutfooie
 - 8.8.3 elektrisiteit, water, afsluitings- en aansluitingsfooie
 - 8.8.4 boetes en ander heffings neergelê ingevolge die goedgekeurde beleid ten opsigte van kredietbeheer en skuldinvordering
 - 8.8.5 boetes vir die indiening van afgekeurde, verouderde, vooruitgedateerde of andersins onaanvaarbare tjeks.
- 8.9 Markverwante huur moet gehief word ten opsigte van die verhuring van elke munisipale eiendom, insluitende karavaanparke en strandoorde.
- 8.10 Indien die munisipale bestuurder tevrede is dat sale en persele benodig word vir nuwingsgewende instansies en vir die lewering van 'n diens aan die gemeenskap, kan die munisipale bestuurder tot 100% afslag toestaan ten opsigte van die betrokke huur.
- 8.11 Die munisipale bestuurder moet bepaal of enige vrywaring of waarborge gegee moet word ten opsigte van die huur van munisipale sale, persele en sportgronde en moet in ag neem watter skade die munisipaliteit kan ly as gevolg van die gebruik van die betrokke fasiliteite.

9 BESKIKBAARHEIDSFOOIE

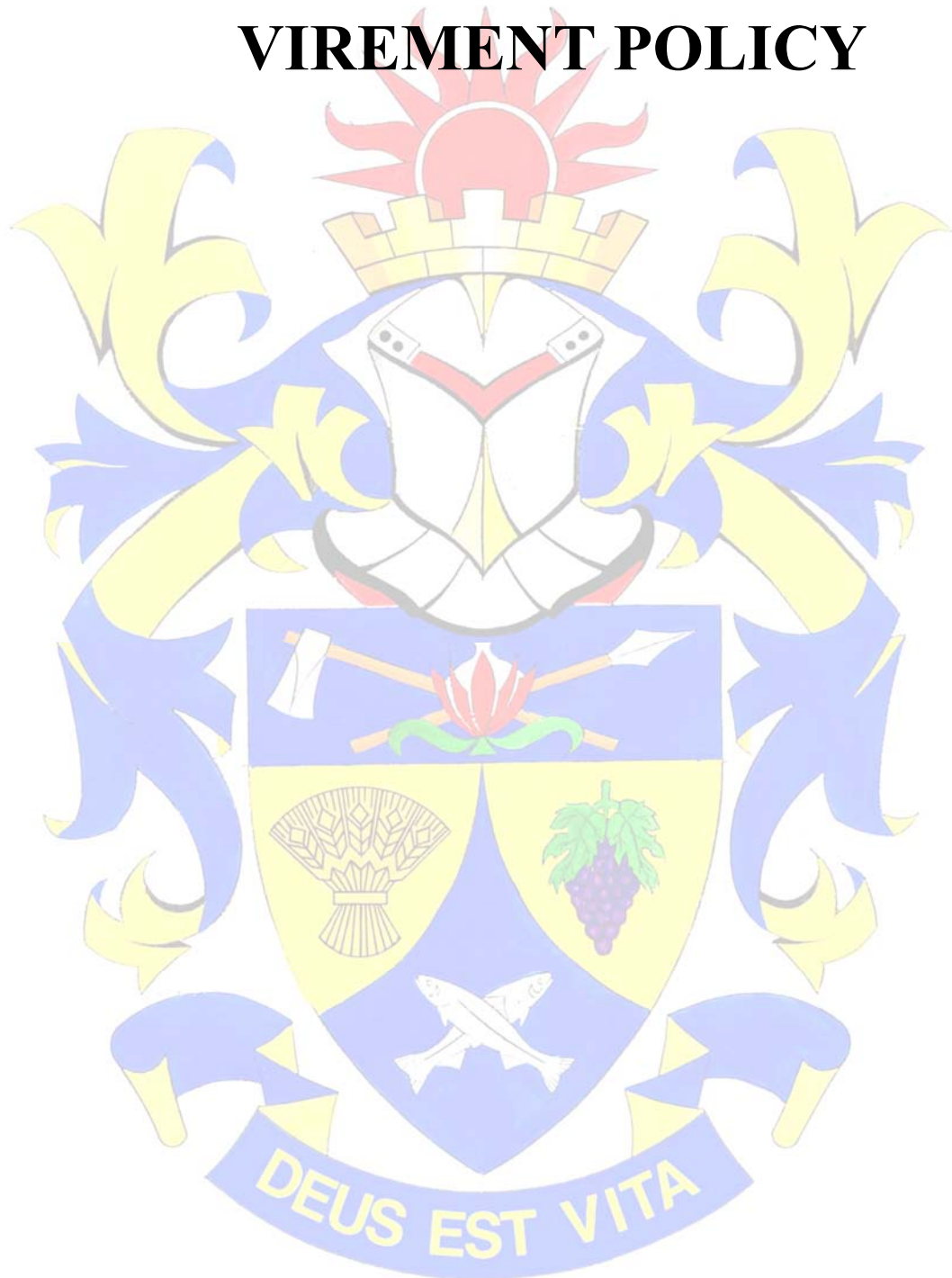
- 9.1 Beskikbaarheid fooie, soos jaarliks in sy begroting deur die raad bepaal, ten opsigte van Water, Elektrisiteit, Riool en Vullisverwydering is betaalbaar deur alle eienaars van onbeboude eiendomme waar geeneen van die dienste aangesluit is nie maar redelikerwys aangesluit kan word. Indien een of meer van hierdie dienste aangesluit word, sal die basiese fooie t.o.v. al die dienste wat redelikerwys aangesluit kan word, geld soos bepaal in die gedeelte van hierdie beleidsdokument wat daarmee handel. Elke eiendom per aansluitingspunt word geag 'n wooneenheid te wees.
- 9.2 Dat leë erwe met 'n markwaarde, soos van tyd tot tyd deur die Raad bepaal, kwytgeskeld word van beskikbaarheidsgelde vir 'n tydperk van een jaar na oordrag

Bergrivier Munisipaliteit
Tarief Beleid
Bladsy 11

van die eiendom om sodoende sodanige eienaar die geleentheid te bied om finansiële hulp te bekom vir die aanbring van verbeterings op die erf.

BERGRIVIER MUNICIPALITY

VIREMENT POLICY



VIREMENT POLICY

1 INTRODUCTION

- 1.1 Webster's New Millennium Dictionary of English defines "Virement" as "a regulated transfer or reallocation of money from one account to another, especially public funds."
- 1.2 A virement represents a flexible mechanism to effect budgetary amendments within a municipal financial year.
- 1.3 Changing circumstances and priorities during a financial period may give rise to a need to virement (transfer) funds within or between approved Votes, as defined in the Municipal Finance Management Act 56 of 2003(MFMA). The treatment of such instances may, however, be dependent on whether an adjustment budget is required or not.

2 PURPOSE

- 2.1 The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control. A municipality's virement policy and its underlying administrative process within the system of delegations is one of these controls.
- 2.2 Section 81(1)(d) of the MFMA states inter alia that "The chief financial officer of a municipality...must advise senior managers and other senior officials in the exercise of powers and duties assigned to them in terms of section 78 or delegated to them in terms of section 79;..."
- 2.3 It is the responsibility of each Director to which funds are allocated, to plan and conduct assigned operations so as not to expend more funds than budgeted and to ensure that funds are utilized effectively and efficiently.
- 2.4 Section 78(1)(b) of the MFMA states inter alia that:

"Each senior manager of a municipality and each official of a municipality exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure...that the financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently..."
- 2.5 This policy aims to provide guidelines to senior management in the use of virements as a mechanism in their day to day management of their budgets.

In addition it specifically aims to empower senior managers with an efficient financial– and budgetary system to ensure optimum service delivery within the current legislative framework of the MFMA and the municipality’s system of delegations.

3 DEFINITIONS

3.1 ***Accounting Officer (MFMA)***

(a) in relation to a municipal official referred to in Section 60 of the MFMA

3.2 ***Approved budget (MFMA)***

(a) means an annual budget approved by a municipal council, or

(b) approved by a provincial or the national executive following an intervention in terms of section 139 of the Constitution, and includes such an annual budget as revised by an adjustments budget in terms of section 28

3.3 ***Chief Financial Officer (MFMA)***

“a person designated in terms of section 80(2)(a)”

3.4 ***Cost Centre***

A Cost Centre is a logical point at which cost (expenditure) is managed by a responsible cost centre owner. A cost centre is identified by the first 3 digits of the ledger account number.

3.5 ***Cost Item***

Cost items distinguish between different cost sections or categories of expenditure. These are identified by the next 3 digits of the ledger account number.

3.6 **Director**

Section 56 of the System Act states inter alia that:

”Appointment of managers directly accountable to municipal managers (a) a municipal council, after consultation with the municipal manager, appoints a manager directly accountable to the municipal manager...”

3.7 **Financial Year**

The 12 month period between 1 July and 30 June of the following year.

3.8 **Vote (MFMA)**

3.8.1 “(a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality, and

(b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.”

3.8.2 In the case of the Bergrivier Municipality the definition of Vote is set at Directorate level, with the exception being tariff funded services as a result of their closed account nature e.g. Electricity (*Cost Centre 621&622*), Water (*Cost Centre 511*), Waste Management (*Cost Centre 171*) and Waste Water Management (*Cost Centre 291*). In these cases “vote” is set at cost centre level.

3.9 **Virement**

The process of transferring an approved budgetary provision from one operating cost centre or capital project to another within a vote during a municipal financial year and which results from changed circumstances from that which prevailed at the time of the budget adoption.

4 **MFMA REGULATIONS ON BUDGET VERSUS EXPENDITURE**

4.1 The MFMA regulates as follows regarding the incurring of expenditure against budgetary provisions.

4.1.1 Section 15

Appropriation of funds for expenditure “A municipality may, except where otherwise provided in this Act, incur expenditure only

(a) in terms of an approved budget, and

- (b) within the limits of the amounts appropriated for the different votes in an approved budget.”

4.1.2 Unauthorized Expenditure (MFMA Definition)

“in relation to a municipality, means any expenditure incurred by a Municipality otherwise than in accordance with section 15 of 11(3), and includes

- (a) Overspending of the total amount appropriated in the municipality’s approved budget
- (b) Overspending of the total amount appropriated for a vote in the approved Budget
- (c) Expenditure from a vote unrelated to the department or functional area covered by the vote
- (d) Expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose
- (e) Spending of an allocation referred to in paragraph(b), (c) or (d) of the definition of “allocation” otherwise than in accordance with any conditions of the allocation, or
- (f) A grant by the municipality otherwise than in accordance with this Act”

4.1.3 Overspending (MFMA Definition)

“in relation to the budget of a municipality means

- (a) causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- (b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- (c) in relation to expenditure under section 26, means causing expenditure under that section to exceed the limits allowed in subsection (5) of that section;”

4.1.4 Section 71(1)(g)(iii) states inter alia

- “(1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the

municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:...(g) when necessary, an explanation of...(iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget....”

5 VIREMENT REQUIREMENTS

- 5.1 The virement process represents the major mechanism to align and take corrective (financial/budgetary) action within a vote (Directorate) during a financial year.
- 5.2 In order for a vote (Directorate) to transfer funds from one cost centre or capital project to another cost centre or capital project, a saving has to be identified within the monetary limitations of the approved “giving” cost centre or capital project allocations on the respective budgets.
- 5.3 Sufficient, (no committed) budgetary provision should be available within the “giving” vote’s cost centre or project concerned to give effect to the budgetary transfer (virement). In addition, the transferring function must clearly indicate to which cost centre or capital project the budget provision will be transferred to and provide a clear motivation for the transfer.
- 5.4 Any budgetary amendment of which the net impact will be a change to the total approved annual budget allocation and any other amendments not covered in this policy are to be considered for budgetary adoption via an adjustments budget (per MFMA Section 28)
- 5.5 In terms of Section 17 of the MFMA a municipality’s budget is divided into an operating and capital budget and consequently no virements are permitted between Operating and Capital Budgets.
- 5.6 Virements are not permissible between votes.
- 5.7 Virements between Trading and Rate funded functions are not allowed, due to the differing impacts on respective tariffs or Rates borne services’ budgets, unless adopted via adjustment budgets (per MFMA Section 28)

6 OPERATING BUDGET VIREMENTS

- 6.1 Virements are not allowed to utilize special purpose budgetary allocations, adopted by Council as such and to which specific Council recommendations apply.

6.2 Sound motivations should be provided for all virements, as provided for on pro forma virement application documentation.

6.3 Specific virement limitations:

6.3.1 No virements are permitted between cost item of employee related costs (100) and other cost items within a cost centre or vote without the written consent of both the municipal manager and the CFO.

6.3.2 No virements are permitted to and from Grants and Subsidies Paid, except if supported by Council decision for such transfer and as per the approved Grants-in-Aid Policy.

6.3.4 Remuneration of Councilors

Virements to or from this category are not allowed.

7 CAPITAL BUDGET VIREMENT

7.1 Specific virement limitations

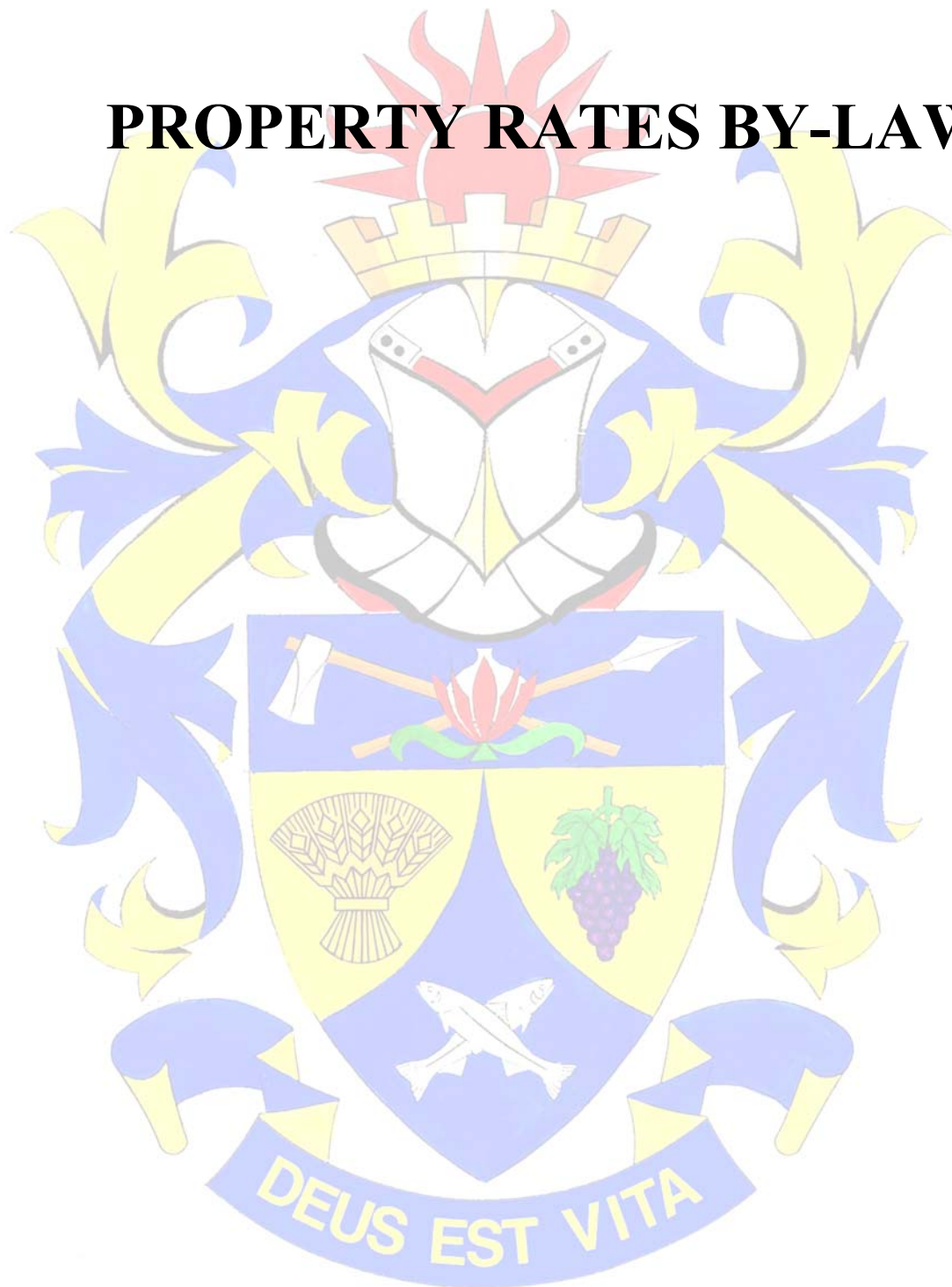
7.2 Sound motivations should be provided for all virements, as provided for on pro forma virement documentation.

7.3 Virements are not allowed between asset classes within a vote.

7.4 No virements are permitted to and from assets financed from different financial sources within a vote.

BERGRIVIER MUNISIPALITEIT

PROPERTY RATES BY-LAW



1. PREAMBLE

- (1) Section 229(1) of the Constitution authorises a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of the Municipality.
- (2) In terms of section 3 of the Property Rates Act, a municipal council must adopt a policy consistent with the Property Rates Act on the levying of rates on rateable property in the municipality.
- (3) In terms of section 6 (1) of the Property Rates Act, a municipality must adopt by-laws to give effect to the implementation of its rates policy.
- (4) In terms of section 6 (2) of the Property Rates Act, by-laws adopted in terms of section 6(2) may differentiate between different categories of properties; and different categories of owners of properties liable for the payment of rates.

2. INTERPRETATION

In this by-law, the English text prevails in the event of any conflict with the Afrikaans texts, and, unless the context otherwise indicates-

“Municipality” means Bergrivier Municipality;

“Bergrivier Rates Policy” means a rates policy adopted by the Bergrivier Municipality in terms of this by-law;

“Constitution” means the Constitution of the Republic of South Africa;

“Credit Control and Debt Collection By-Law and Policy” means Bergrivier Municipality’s Credit Control and Debt Collection By-Law and Policy as required by section 96(b), 97 and 98 of the Systems Act;

“Property Rates Act” means the Local Government: Municipal Property Rates Act, 6 of 2004;

“rate” or “rates” means a municipal rate on property as envisaged in section 229 of the Constitution.

3. ADOPTION AND IMPLEMENTATION OF RATES POLICY

- (1) The Municipality shall adopt and implement a rates policy consistent with the Property Rates Act on the levying of rates on rateable property in the municipality.
- (2) The municipality shall not be entitled to levy rates other than in terms of a valid rates policy.

4. CONTENTS OF RATES POLICY

The Municipality’s rates policy shall, *inter alia*:

- (1) Apply to all rates levied by the municipality pursuant to the adoption of the municipality’s annual budget;
- (2) Comply with the requirements for:

- (a) The adoption and contents of a rates policy specified in terms of section 3 of the Property Rates Act;
- (b) The process of community participation specified in section 4 of the Property Rates Act;
- (c) The annual review of a rates policy specified in terms of section 5 of the Property Rates Act;
- (3) Specify any further principles, criteria and implementation measures consistent with the Property Rates Act for the levying of rates which the Municipality may wish to adopt;
- (4) Include such further enforcement mechanisms, if any, as the municipality may wish to impose in addition to those contained in the Credit Control and Debt Collection By-Laws and Policy.

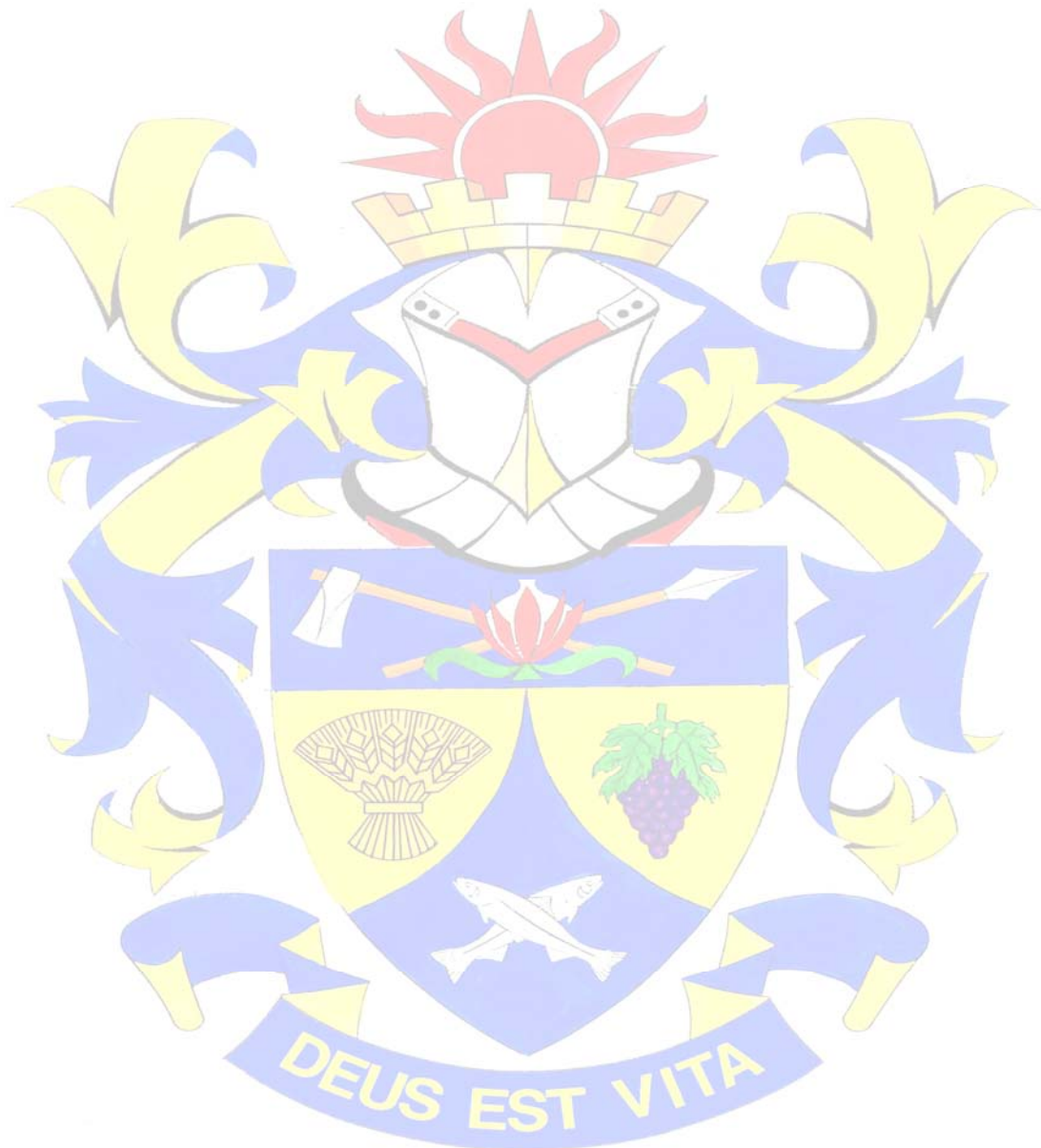
5. ENFORCEMENT OF RATES POLICY

The Municipality's rates policy shall be enforced through the Credit Control and Debt Collection By-Law and Policy and any further enforcement mechanisms stipulated in the Municipality's rates policy.

6. OPERATIVE DATE

This By-Law shall take effect on 1 July 2012

BERGRIVIER MUNICIPALITY



REVISED SUPPLY CHAIN MANAGEMENT POLICY

BERGRIVIER MUNICIPALITY

REVISED MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT. 2003

Date of adoption:

Council resolves in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the under-mentioned revised policy as the Supply Chain Management Policy of the municipality.

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1. Definitions

In this policy, the singular includes the plural and vice versa, any one gender includes both genders and, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Municipal Finance Management Act has the same meaning as in this Act, and -

“Accounting Officer” means the manager of the municipal administration and accounting officer of the municipality appointed by the council in terms of section 54A of the Local Government: Municipal Systems Act No. 32 of 2000 and includes any employee of the municipality who acts in his stead and, in the event of the municipality being subject to an intervention in terms of section 139 of the Constitution or any other applicable law, includes the “Administrator” appointed as a consequence of such intervention or in terms of the conditions pertaining thereto;

“All applicable taxes” includes value-added tax, pay as you earn, income tax, skills development levies and unemployment insurance fund contributions;

“B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

“B-BBEE status level of contributor” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment;

“Black people” is a generic term which means Africans, Coloureds and Indians;

“Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act No. 53 of 2003;

“Chief Financial Officer” means the official of the municipality designated as such in terms of section 80(2)(a) of the Municipal Finance Management Act;

“CIDB regulations” means any regulations issued in terms of the Construction Industry Development Board Act No. 38 of 2000;

“Codes of Good Practice” means the Codes of Good Practice on Black Economic Empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act and contained in General Notice 12 of 9 February 2007;

“Comparative price” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized, have been taken into consideration;

“Competitive bidding process” means a competitive bidding process referred to in paragraph 12 (1)(e) of this policy;

“Competitive bid” means a bid in terms of a competitive bidding process;

“Consortium or joint venture” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;

“Construction works” means the provision of a combination of goods and services arranged for the development, extension, installation, repair, maintenance, renewal, removal, renovation, alteration, dismantling or demolition of a fixed asset including building and engineering infrastructure;

“Contractor” means a person or body of persons who undertakes to execute and complete construction works for or on behalf of the municipality;

“Contract” means the agreement that results from the acceptance of a tender by the municipality in accordance with this policy;

“Council” means the council of Bergrivier Municipality;

“Day” unless expressly otherwise provided in this policy, means a calendar day, provided that when any particular number of days is prescribed for the doing of any act, or for any other purpose, the same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day happens to fall on a Sunday or on any public holiday, in which case the time shall be reckoned exclusively of the first day and exclusively also of every such Sunday or public holiday;

“Designated Official” means the official of the municipality to whom the accounting officer or the chief financial officer, as the case may be, have, in accordance with sections 79 and 82 of the Municipal Finance Management Act No. 56 of 2003 delegated powers, functions and duties in connection with the application and implementation of this policy;

“Designated sector” means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

“Final award” in relation to bids or quotations submitted for a contract, means the final decision on which a bid or quote was accepted;

“Firm price” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy or tax which, in terms of any applicable law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies or the rendering costs of any service, for the execution of a contract;

“Formal written price quotations” means quotations referred to in paragraph 12 (1) (d) of this policy;

“Functionality” means the measurement according to predetermined norms, as set out in the tender specification, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a tenderer;

“Fronting” means a deliberate circumvention or attempted circumvention of the "Broad-Based Black Economic Empowerment Act and the Codes of Good Practice;

“Head of Department” means a senior manager as defined in the Municipal Finance Management Act and who is responsible for a vote as assigned by the accounting officer;

"Imported content" means that portion of the tender price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its sub-contractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African port of entry;

"In the service of the state" means to be -

- (a) A member of -
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the National Assembly or the National Council of Provinces;
- (b) A member of the board of directors of any municipal entity;
- (c) An official of any municipality or municipal entity;
- (d) An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Act and the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (e) A member of the accounting authority of any national or provincial public entity; or
- (f) An employee of Parliament or a provincial legislature;

"Line manager" means a manager reporting directly to a senior manager and who is responsible for a cost centre as assigned by the relevant senior manager;

"Local content" means that portion of the tender price which is not included in the imported content, provided that local manufacture does take place;

"Long term contract" means a contract with a duration period exceeding one year;

"List of accredited prospective providers" means the list of accredited prospective providers which the municipality must keep in terms of paragraph 15 of this policy;

"Mayor" means the councillor elected by the council as Mayor in terms of section 48 of the Local Government: Municipal Structures Act No. 117 of 1998 read with section 58 of the Municipal Finance Management Act;

"Municipality" means the Bergrivier Municipality, a municipality established in terms of section 12 of the Local Government: Municipal Structures Act No. 117 of 1998 and includes any employee entitled to or duly authorized to perform any function or duty in terms of this policy and/or is responsible for the implementation of this policy or any part thereof;

"Municipal Finance Management Act" means the Local Government: Municipal Finance Management Act No. 56 of 2003 and, unless otherwise stated in this policy, any reference to "the Act" shall mean a reference to this Act;

"Municipal Systems Act" means the Local Government: Municipal Systems Act No. 32 of 2000 and includes the regulations under this Act;

"Non-firm prices" means all prices other than "firm" prices;

“Other applicable legislation” means any other legislation applicable to municipal supply chain management, including but not limited to -

- (a) the Preferential Procurement Policy Framework Act No. 5 of 2000;
- (b) the Broad-Based Black Economic Empowerment Act No. 53 of 2003;
- (c) The Construction Industry Development Board Act No. 38 of 2000;
- (d) The Local Government: Municipal Systems Act No. 32 of 2000 (Municipal Systems Act);

"Person" includes a juristic person;

“Preferential Procurement Regulations” means the Preferential Procurement Regulations, 2011 contained in Government Notice R 502 of 8 June 2011 promulgated in Government Gazette No. 34350 of this date;

“Responsive bid” means a bid that complies in all material aspects with the requirements set out in or contained in an invitation to bid including the applicable specification;

"Small enterprise" means a separate and distinct business entity, together with its branches or subsidiaries, if any, including cooperative enterprises, managed by one owner or more predominantly carried on in any sector or sub-sector of the economy mentioned in column 1 of the Schedule to the National Small Business Act No. 102 of 1996 which is contained in Annexure B to this policy and classified as a micro-, a very small, a small or a medium enterprise by satisfying the criteria mentioned in columns 3, 4 and 5 of the said schedule;

"Stipulated minimum threshold" means that portion of local production and content as determined by the Department of Trade and Industry from time to time;

"Sub-contract" means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of a contract;

"Rand value" means the total estimated value of a contract in South African currency calculated at the time of tender invitations, and includes all applicable taxes and excise duties;

“SANAS” means the South African National Accreditation System;

“Tender” means a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of services, works or goods, through price quotations, advertised competitive tendering processes or proposals and **“bid”** has a corresponding meaning;

"Total revenue" bears the same meaning assigned to this expression in the Codes of Good Practice;

"Trust" means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person;

"Trustee" means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person;

“Treasury guidelines” means any guidelines on supply chain management issued by the Minister of Finance in terms of section 168 of the Municipal Finance Management Act;

“The Regulations” means the Local Government: Municipal Finance Management Act, 2003: Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

“Verification Certificate” means a B-BBEE certificate issued in compliance with the B-BBEE Codes of Good Practice and all Sector Codes issued in terms of Section 9(1) of the Broad-Based Black Economic Empowerment Act;

“Written quotations” means quotations referred to in paragraph 12 (1) (c) of this policy.

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

2. Supply chain management policy

- (1) All officials and other role players in the supply chain management system of the municipality must implement this policy in a way that -
- (a) gives effect to Section 217 of the Constitution and Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) complies with the Regulations and any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and the conduct of business with the public sector.
- (2) This policy applies when the municipality -
- (a) procures goods or services;
 - (b) disposes of goods no longer needed;
 - (c) selects contractors to provide assistance with the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
 - (d) selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.
- (3) This policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including, but not limited to -
- (a) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and

~~(b) electricity from Eskom or another public entity, another municipality or a municipal entity.~~

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- (4) Notwithstanding anything to the contrary in this policy, the municipality shall not award a contract to a contractor in respect of the undertaking, carrying out or completion of any construction works or a portion thereof in terms of a competitive tender or quotation process provided for in this policy unless such contractor is registered with the Construction Industry Development Board established by section 2 of the Construction Industry Development Board Act No. 32 of 2000 and holds a valid registration certificate issued by such Board or is exempted from such registration either in terms of the Act or the "CIDB Regulations".

3. Amendment and adoption of the supply chain management policy

- (1) The accounting officer must at least annually review the implementation of this policy and, when necessary, submit proposals for the amendment thereof to the council through the mayor acting in conjunction with the mayoral committee with a view to its adoption by the council.
- (2) If the accounting officer submits proposed amendments to this policy to the council, he must ensure that same comply with the Regulations and Treasury guideline standards determining standards for municipal supply chain management policies.
- (3) The accounting officer must report any deviation from the Regulations and Treasury guideline standards determining standards for municipal supply chain management policies to the National and Western Cape Provincial Treasuries.
- (4) When amending this policy, the need for uniformity in supply chain practices, procedures and forms between all spheres of organs of state particularly to promote accessibility of supply chain management systems for small businesses, must be taken into account.

4. Delegation of supply chain management powers and duties

- (1) The council hereby delegates all powers and duties to the accounting officer which are necessary to enable him -
- (a) to discharge the supply chain management responsibilities conferred on accounting officers in terms of -
 - (i) chapters 8 or 10 of the Act; and
 - (ii) this policy; and
 - (b) to maximize administrative and operational efficiency in the implementation of this policy; and
 - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this policy; and
 - (d) to comply with his responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub-delegation of powers and duties delegated to an accounting officer in terms of subparagraph (1).

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- (3) The accounting officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality.
 - (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 27 of this policy.

5. Sub-delegations

- (1) The accounting officer may, in terms of section 79 of the Act, sub-delegate any supply chain management powers and duties, including those bestowed upon him in terms of legislation or delegated to him in terms of this policy or by resolution of the council, but any such sub-delegation must be consistent with subparagraph (2) and paragraph 4 of this policy.
- (2) The power to make a final award -
 - (a) above R10 million (VAT included) may not be sub-delegated by the accounting officer;
 - (b) above R2 million (VAT included), but not exceeding R10 million (VAT included), may be sub-delegated but only to a bid adjudication committee of which the chief financial officer or a senior manager is a member;
 - (c) not exceeding R2 million (VAT included) may be sub-delegated but only to -
 - (i) the chief financial officer;
 - (ii) a senior manager; or
 - (iii) a manager directly accountable to the chief financial officer or a senior manager; or
 - (iv) a bid adjudication committee.
- (3) A bid adjudication committee to whom or which the power to make final awards has been sub-delegated in accordance with subparagraph (2) must, within five days of the end of each month, submit to the accounting officer a written report containing particulars of each final award made by such committee during that month, including -
 - (i) the amount of the award;
 - (ii) the name of the person to whom the award was made; and
 - (iii) the reason why the award was made to that person.
- (4) Subparagraphs (3) do not apply to procurements out of petty cash.
- (5) No supply chain management decision-making powers may be delegated to an advisor or consultant.

6. Oversight role of the council

- (1) A councillor cannot be a member of a bid committee or any other committee evaluating or approving quotations or bids nor attend any meeting of such committees as an observer.
- (2) The council must maintain oversight over the implementation of this policy to ensure that the accounting officer implements all supply chain management activities in accordance therewith.
- (3) For the purposes of such oversight, the accounting officer must -
 - (a) within 30 days of the end of each financial year, submit a report on the implementation of this policy to the council through its mayor;
 - (b) whenever there are serious and material problems in the implementation of this policy, immediately submit a report thereon to the council through its mayor.
- (4) The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of this policy to the mayor.
- (5) The aforesaid reports must be made public in accordance with section 21A of the Municipal Systems Act.

7. Supply chain management unit

- (1) A supply chain management unit is hereby established to implement this policy.
- (2) The supply chain management unit shall operate under the direct supervision of the chief financial officer to whom this duty is hereby delegated by the accounting officer in terms of section 82 of the Act.

8. Training of supply chain management officials

The training of officials involved in implementing this policy should be in accordance with any Treasury guidelines on supply chain management training and applicable prescribed competency level requirements.

CHAPTER 2 **SUPPLY CHAIN MANAGEMENT SYSTEM**

9. Format of supply chain management system

This policy provides systems for -

- (i) Demand management;
- (ii) Acquisition management;
- (iii) Logistics management;
- (iv) Disposal management;
- (v) Risk management; and
- (vi) Performance management.

Part 1: Demand management

10. System of demand management

- (1)** The accounting officer must establish and implement an appropriate demand management system in order to ensure that the resources required by the municipality supports its operational commitments and its strategic goals as outlined in the municipality's Integrated Development Plan.
- (2)** The demand management system must -
 - (a)** include timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates and are of the appropriate quality and quantity procured at a fair cost;
 - (b)** take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature;
 - (c)** provide for the compilation of the required specifications to ensure that municipal needs are met;
 - (d)** allow for the undertaking of appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.
- (3)** The accounting officer must, prior to making an invitation for tenders-
 - (a)** properly plan for, and, as far as possible, accurately estimate the costs for the provision of services, works or goods for which an invitation to tenders is to be made;
 - (b)** determine and stipulate, in such invitation, the appropriate preference point system to be utilized in the evaluation and adjudication of such tenders; and
 - (c)** determine whether the services, works or goods for which an invitation to tender is to be made has been designated for local production and content in terms of section 9 of the Preferential Procurement Regulations and paragraph 29(5) of this policy.
- (4)** The accounting officer must indicate in the invitation to submit a tender and in the tender specification -
 - (a)** that such tender will be evaluated on functionality and, in such event, the following shall be clearly stated:
 - (i)** the evaluation criteria for measuring functionality which criteria must be objective;
 - (ii)** the weight of each criterion which should not be generic but be determined separately for each bid on a case by case basis;
 - (iii)** the applicable values that will be utilized when scoring each criterion which values must be objective;

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- (iv) the minimum qualifying score for functionality in order to enable the bid concerned to be further evaluated in terms of this policy provided that the aforesaid qualifying score:
 - (a) should not be generic but be determined separately for each bid on a case by case basis; and
 - (b) should not be prescribed so low that it may jeopardize the quality of the service required nor so high that it may be restrictive to the extent that it jeopardizes the fairness of the supply chain management system;
 - (b) the fact that no tender will be regarded as an acceptable tender if it fails to achieve the minimum qualifying score for functionality as indicated in the invitation to tender and the relevant tender specification; and
 - (c) that tenders that have achieved the minimum qualification score for functionality will be evaluated further in terms of the preference point systems referred to in paragraphs 29(3) and 29(4) of this policy.
- (5) Any system designed in terms of this paragraph shall take cognizance of the provisions of this policy.

Part 2: Acquisition management

11. System of acquisition management

- (1) The accounting officer must implement an efficient system of acquisition management in order to ensure -
- (a) that goods and services are procured by the municipality in accordance with authorized processes only;
 - (b) that expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
 - (c) that the threshold values for the different procurement processes are complied with;
 - (d) that bid documentation, evaluation and adjudication criteria and the general conditions of a contract, are in accordance with any applicable legislation; and
 - (e) that any Treasury guidelines on acquisition management are properly taken into account.
- (2) When procuring goods or services from an organ of state as contemplated in section 110 (2) of the Act, the accounting officer must make public the fact that such goods or services are procured otherwise than through the municipality's supply chain management system, including -
- (a) the kind of goods or services; and
 - (b) the name of the supplier.

12. Range of procurement processes

- (1) Goods and services may only be procured by way of -
- (a) petty cash purchases up to a transaction value of R300 (VAT included) for items specified in the municipality's Petty Cash policy;
 - (b) one formal written price quotations for procurements of a transaction value up to R2,000 (VAT included);
 - (c) three formal written price quotations for procurements of a transaction value over R2,001 up to R30,000 (VAT included); and
 - (d) a competitive bidding process for -
 - (i) procurements above a transaction value of R200 000 (VAT included); and
 - (ii) the procurement of long term contracts.
- (2) The accounting officer may, in writing:
- (a) lower but not increase, the different threshold values specified in subparagraph (1) above; or
 - (b) direct that -
 - (i) written or verbal quotations be obtained for any specific procurement of a transaction value lower than R2 000;
 - (ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R10 000; or
 - (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000.
- (3) Calls for quotations and bids for the procurement of goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of this policy or any applicable legislation. When determining transaction values, a requirement for goods or services consisting of different parts or items must, as far as possible, be treated and dealt with as a single transaction.

13. Special categories of bidders and suppliers

In order to promote B-BBEE and comply with applicable legislation including the Codes of Good Practice, this policy recognizes the following special categories of bidders and suppliers:

13.1 Exempted Micro-Enterprise

- (a) An exempted Micro-Enterprise (EME) is an entity with an annual turnover of R5 million or less provided that this amount may be reduced in accordance with sector charter thresholds for specific sectors or industries.

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- (b) The current thresholds for the Tourism and Construction Sector charters are R2.5 million and R1.5 million respectively.
 - (c) Exempted Micro-Enterprises are deemed to possess a B-BBEE Status of "Level Four Contributor", having a B-BBEE procurement recognition of 100%.
 - (d) An Exempted Micro-Enterprise qualifies for a promotion to a B-BBEE Status of "Level Three Contributor" having a B-BBEE procurement recognition of 110% if it is more than 50% owned by black people or by black women.
 - (e) Exempted Micro-Enterprises are allowed to be measured in terms of the QSE scorecard contained in the applicable code of good practice in the event of them wishing to maximize their points and move to the next procurement recognition level.
 - (f) Sufficient evidence of qualification as an Exempted Micro-Enterprise is an auditor's certificate or similar certificate issued by an accounting officer of a closed corporation or a verification agency accredited by SANAS.

13.2 Qualifying Small Enterprise

- (a) Any enterprise with an annual Total Revenue of between R5 million and R35 million qualifies as a Qualifying Small Enterprise.
- (b) Enterprises claiming qualifying small enterprise status must include in any bid submitted to the municipality, an original and valid B-BBEE status level certificate or a certified copy thereof, substantiating their B-BBEE rating. This certificate must be issued by a verification agency accredited by SANAS or a Registered Auditor approved by the Independent Regulatory Board of Auditors.

13.3 Start-up enterprises

- (a) Start-up enterprises must be measured as Exempted Micro-Enterprises for the first year following their formation or incorporation. This provision applies regardless of the expected total revenue of the start-up enterprise.
- (b) Start-up Enterprises are deemed to have a "B-BBEE Status of Level Four Contributor".
- (c) In order to qualify as a Start-up Enterprise, the enterprise must provide an independent confirmation of its status.
- (d) Despite subparagraphs (a) and (b), Start-up Enterprises must submit a QSE Scorecard when tendering for any contract or seeking any other business with a value higher than R5 million but less than R35 million. For contracts above R35 million, they should submit the generic scorecard. The preparation of such scorecards must use annualized data.

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- (e) The accounting officer shall reserve the right to require a Start-up Enterprise referred to in subparagraph (d) to submit a verification certificate issued by either a verification agency approved by SANAS or a Registered Auditor approved by the Independent Regulatory Board of Auditors.

14. General preconditions for consideration of written quotations or bids

- (1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid concerned -
- (a) has furnished his -
- (i) full name or names including trading name;
 - (ii) identification number or company or other registration number;
 - (iii) tax reference number and VAT registration number, if any;
 - (iv) registration number in terms of section 18(1) of the Construction Industry Development Board Act in the event of quotes or bids being submitted for construction works or portion thereof;
- (b) has provided the municipality with an original valid tax clearance certificate from the South African Revenue Services stating that his tax matters are in order;
- (c) has, where applicable, provided the municipality with a clearance certificate from the Construction Industry Development Board to the effect that he holds a valid registration certificate issued by the Board;
- (d) has provided the municipality with a "Certificate of Independent Bid Determination" on Form MBD 9 or a similar form;
- (e) has certified that he and, in the event of the bidder being a company, also any of its directors, is not indebted to the municipality or to any other municipality or municipal entity for rates, taxes and/or municipal service which are in arrear for a period of more than three months and that no dispute exists between such bidder and the relevant municipality or municipal entity in respect of any such arrear amounts;
- (f) has submitted an affidavit certifying -
- (i) that he is not in the service of the state or has been in the service of the state in the previous twelve months;
 - (ii) that, in the event of the bidder not being a natural person, none of its directors, managers, principal shareholders or stakeholders are in the service of the state nor have they been in the service of the state in the previous twelve months; or
 - (iii) that neither his spouse, child or parent nor a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the

service of the state or has been in the service of the state in the previous twelve months.

- (g) has submitted the prescribed B-BBEE status level certificate, an auditors', accounting officer or independent confirmation of status certificate, as the case may be.

(2) This paragraph must be read in conjunction with paragraph 22 of this policy.

15. Lists of accredited prospective providers

(1) The accounting officer must -

- (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations; and
- (b) at least once a year through newspapers commonly circulating locally, the municipal website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
- (c) specify the listing criteria for accredited prospective providers; and
- (d) disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.

(2) The aforesaid list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.

(3) The aforesaid list must also be compiled per commodity and per type of service.

16. Petty cash purchases

- (a) Petty cash purchases may only be made in accordance with the Petty Cash policy of the municipality.
- (b) The accounting officer may delegate responsibility for the management of petty cash to an official directly or indirectly reporting to the chief financial officer.
- (c) The accounting officer must determine the maximum number of transactions or the maximum amount of the permissible petty cash expenditure per month;
- (d) A monthly reconciliation report must be provided to the chief financial officer within five days of the end of each month by the official authorized to make petty cash purchases and such report shall contain particulars of each final award made by such official during that month, including:
 - (i) the total amount of petty cash purchases for that month; and
 - (ii) receipts and supporting documents for each purchase.

17. Written or verbal price quotations

The conditions for the procurement of goods or services through written or verbal quotations are as follows:

- (a) Quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the municipality, provided that if quotations are obtained from providers who are not so listed, such providers must meet the listing criteria set out in paragraph 15(1)(b) and (c) of this Policy;
- (b) To the extent feasible, providers must be requested to submit such quotations in writing;
- (c) If it is not possible to obtain at least three quotations, the reasons for such inability must be recorded on the invitation to submit quotations and reported quarterly to the chief financial officer;
- (d) The designated officer must record the names of the potential providers requested to provide quotations with their quoted prices; and
- (e) If a quotation was submitted verbally, the order may be placed only against written confirmation of the price and conditions of supply by the selected provider within the period stipulated in the invitation to submit quotations.

18. Formal written price quotations

The conditions for the procurement of goods or services through formal written price quotations, are as follows:

- (a) Quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality;
- (b) In the event of it not being possible to obtain quotations from at least three different providers whose names appear on the list of accredited prospective providers of the municipality, quotations may be obtained from providers who are not so listed, provided that such providers meet the listing criteria set out in paragraph 15 (1) (b) and (c) of this policy and,
- (c) provided further, that the reasons for obtaining such quotations from the providers concerned must be recorded on the invitation to submit quotations and be approved by the chief financial officer.

19. Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

The procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations is as follows:

- (a)** ~~When using the list of accredited prospective providers, the accounting officer must promote ongoing competition amongst providers by inviting providers to submit quotations on a rotation basis;~~
- (b)** All requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 18, be advertised for at least seven days on the website of and on the official notice board of the municipality;
- (c)** Offers received must be evaluated on a comparative basis taking into account unconditional discounts;
- (d)** The accounting officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation;
- (e)** Offers below R30 000 (all taxes included) must be awarded based on compliance with specifications, conditions of contract, ability, capacity and capability to deliver the required goods and/or services and lowest price; provided that the accounting officer may direct, in appropriate cases, that the formula referred to in subparagraph (e) be used to calculate points for price;
- (f)** Offers above R30 000 (all applicable taxes included) must be awarded based on compliance with specifications, conditions of contract, ability, capacity and capability to deliver the required goods and/or services and lowest price provided that the accounting officer may direct, in appropriate cases, that the following formula be used to calculate points for price:

$$P_s = 80 \left\| 1 - \frac{P_t - P_{min}}{P_{min}} \right\|$$

Where:

Ps = Points scored for comparative price of tender or offer under consideration;
Pt = Comparative price of tender or offer under consideration; and
Pmin = Comparative price of lowest acceptable tender or offer.

- (g) Prior to the award of a contract with a price in excess of R10 000, the designated official must verify the status of recommended bidders (including their directors(s), owners(s) or trustee(s) by checking the Data Base of Restricted Suppliers maintained by National Treasury in order to ensure that no recommended bidder or any of its directors/owners/trustees are listed as companies or persons prohibited from doing business with the public sector;
- (h) A call for quotations in terms of foregoing paragraphs must be in writing and contain a specification for the goods and/or services to be procured as well as details of the preference points system to be used in adjudicating quotations;
- (i) The designated official must, in writing, notify the chief financial officer within 3 days after the end of each month of all written, verbal and formal written price quotations accepted or approvals given in terms of the foregoing subparagraphs;
- (j) The chief financial officer must ensure that adequate systems are in place to meet the requirements for proper record keeping;
- (k) Acceptable offers must be awarded to the bidder who scored the highest points in accordance with the stipulated preference points system.

20. Competitive bidding process

- (1) Subject to paragraph 11 (2) of this policy, goods or services above a transaction value of R200 000 (VAT included) and long term contracts may only be procured through a competitive bidding process.
- (2) No requirement for goods or services above an estimated transaction value of R200 000 (VAT included) may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

21. Process for competitive bidding

The procedures for the following stages of a competitive bidding process are as follows:

- (a) Compilation of bidding documentation as detailed in paragraph 22;
- (b) Public invitation of bids as detailed in paragraph 23;
- (c) Site meetings or briefing sessions as detailed in paragraph 23;
- (d) Handling of bids submitted in response to public invitation as detailed in paragraph 24;
- (e) Evaluation of bids as detailed in paragraph 32;
- (f) Award of contracts as detailed in paragraph 33;
- (g) Administration of contracts - after the award of a bid, the accounting officer and the bidder must enter into a written agreement;

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- (h) Proper record keeping;
 - (i) Original/legal copies of written contracts agreements should be kept in a secure place for reference and audit purposes.

22. Bid documentation for competitive bids

Bid documentation for a competitive bidding process must, in addition to the requirements of paragraph 14 -

- (a) Take into account -
 - (i) the general conditions of contract and any special conditions of contract, if specified;
 - (ii) any Treasury guidelines on bid documentation;
 - (iii) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction works;
 - (iv) relevant B-BBEE verification and certification requirements;
 - (v) relevant local content or production requirements.
- (b) Include the preference points system to be used in adjudicating bids, namely 80/20 or 90/10 as prescribed in the Preferential Procurement Regulations;
- (c) Compel bidders to declare, by means of an affidavit, any conflict of interest they may have in the transaction for which the bid is submitted;
- (d) Compel bidders to submit a "Certificate of Independent Bid Determination" on form MBD 9 or similar document;
- (e) If the value of the transaction is expected to exceed R10 million(VAT included), require bidders to furnish -
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, his audited annual financial statements -
 - (a) for the past three years; or
 - (b) since establishment, if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that he has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contracts;
 - (iv) a statement indicating whether or not any portion of the goods or services required by the municipality are expected to be sourced from outside the Republic, and, if so, what portion and also whether or not any portion of the payment to be made by the municipality is expected to be transferred out of the Republic; and

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- (f) Stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

23. Public invitation for competitive bids

- (1) The procedure for the invitation of competitive bids is as follows:
- (a) any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality and in any other appropriate manner (which may include an advertisement in the Government Tender Bulletin); and
 - (b) the information contained in a public advertisement, must include -
 - (i) subject to subparagraph 2, the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included) or which are of a long term nature, or 14 days in any other case, reckoned from the date on which the advertisement is placed in a newspaper;
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the municipality; and
 - (iii) the date, time and venue of any compulsory site meetings or briefing session;
 - (iv) a statement to the effect that a bid from a prospective bidder who did not attend a prescribed compulsory site meeting or briefing session referred to in subparagraph (iii) will not be considered.
- (2) The accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or in any exceptional case where it is impractical or impossible to follow the official procurement process and such fact shall, for auditing purposes, be recorded in the authority to invite bids.
- (3) Bids submitted must be sealed and marked in a manner stipulated in the invitation to bid.
- (4) Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies which must reach the accounting officer before the closing time for the receipt of bids on the bid closing date as stipulated in the invitation to bid.
- (5) Where the municipality invites expressions of interest or bids for construction works with a value in excess of R30 000, it must publish such invitations on the website of the CIDB.
- (6) The municipality must also comply with the applicable provisions of the Standard for Uniformity in Construction Procurement contained in Board Notice No. 86 of 2010 issued by the Construction Industry Development Board insofar as such provisions relate to the invitation of bids.

24. Procedure for handling, opening and recording of bids

The procedures for the handling, opening and recording of bids, are as follows:

- (a)** Bids -
 - (i)** must be opened only in public;
 - (ii)** must be opened at the same time and as soon as possible after the published closing time or period for the submission of bids; and
 - (iii)** received after the published closing time or period should not be considered and be returned to the bidder, unopened, immediately.
- (b)** Any bidder or member of the public has the right to request that the names of the bidders who submitted responsive bids before the closing time or period be read out and, if practical, also each bidder's total bidding price;
- (c)** No information, except the information referred to in subparagraph (b), relating to a bid should be disclosed to bidders or other persons until the successful bidder is notified of the award of the relevant bid; and
- (d)** The designated official opening received bids must -
 - (i)** record in a register to be provided for this purposes, all bids received before the closing time or period for the submission of same;
 - (ii)** make the aforesaid register available for public inspection during the normal office hours of the municipality; and
 - (iii)** publish the entries in the aforesaid register and the bid results on the website of the municipality.

25. Negotiations with preferred bidders

- (1)** The accounting officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation -
 - (a)** does not allow any preferred bidder a second or unfair opportunity;
 - (b)** is not to the detriment of any other bidder; and
 - (c)** does not lead to a higher price than the bid as submitted;
 - (d)** will not be contrary to any legal requirement or amount to a prohibited practice.
- (2)** Minutes of such negotiations must be kept for record and audit purposes.

26. Two-stage bidding process

- (1)** A two-stage bidding process is permissible for -
 - (a)** large complex projects;

-
- (b) projects where it may be undesirable to prepare complete detailed technical specifications; or
 - (c) long term projects with a duration period exceeding three years.
- (2) In the first stage, technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
 - (3) In the second stage, final technical proposals and priced bids should be invited.

27. Committee system for competitive bids

- (1) A committee system for competitive bids shall be established, consisting of the following committees for procurement as the accounting officer may determine:
 - (a) a bid specification committee; (b) a bid evaluation committee; and (c) a bid adjudication committee;
- (2) The accounting officer shall, in writing, appoint the members of each committee in respect of each competitive bid invitation, taking into account the provisions of section 117 of the Act in terms of which no councillor may be a member of any such committee or attend any of its meetings as an observer.
- (3) A neutral or independent observer, appointed by the accounting officer, may attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.
- (4) The committee system must be consistent with -
 - (a) paragraphs 28, 32 and 33 of this policy; and
 - (b) any other applicable legislation.
- (5) The accounting officer may, in appropriate cases and in his sole discretion, apply the committee system to formal written price quotations.

28. Bid specification committees

- (1) A bid specification committee must compile the specifications for procurement of goods or services by the municipality.
- (2) A bid specification committee must be composed of one or more officials of the municipality preferably the line manager responsible for the function concerned, and may, when appropriate, include external specialist advisors.
- (3) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

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- (4) Where a bid specification is compiled with due regard to the findings and recommendations contained in a prior, associated feasibility study, the person, advisor or corporate entity who or which prepared the said feasibility study may be prohibited from bidding for the resulting contracts in circumstances where such person, advisor or corporate entity may obtain an unfair advantage or where a conflict of interest may arise.
- (5) A specification referred to in this paragraph must be approved by the accounting officer in writing prior to publication of the invitation for bids in terms of paragraph 23.

29. Specifications

29.1 General Requirements

Specifications -

- (a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services to the municipality;
- (b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organization or an authority accredited or recognized by the South African National Accreditation System with which the equipment or material or workmanship should comply;
- (c) must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
- (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
- (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word "equivalent";

29.2 Functionality

Where functionality is utilized as an evaluation criterion, specifications must clearly specify:

- (i) the evaluation criteria for measuring functionality which criteria must be objective, the weight of each criterion, the applicable values and the minimum qualifying score for functionality; and
- (ii) the fact that no tender will be regarded as an acceptable tender if it fails to achieve the minimum qualifying score for functionality as indicated in the tender specification concerned; and
- (iii) that tenders that have achieved the minimum qualification score for functionality will be evaluated further in terms of the preference point systems referred to in subparagraphs (3) and (4) below.

29.3 80/20 Preference Points System

(3.1) Where applicable, specifications must include the following preference points evaluation system for the acquisition of services, works or goods up to a Rand value of R1 000 000 (all applicable taxes included):

- (i) the following formula will be used to calculate the points for price in respect of tenders (including price quotations) with a Rand value equal to, or above R 30 000 and up to a Rand value of R1 000 000 (all applicable taxes included):

$$P_s = 80 \left\| 1 - \frac{P_t - P_{\min}}{P_{\min}} \right\|$$

Where:

Ps = Points scored for comparative price of tender or offer under consideration;

Pt = Comparative price of tender or offer under consideration; and

Pmin = Comparative price of lowest acceptable tender or offer.

- (ii) subject to subparagraph (iii), points must be awarded to a tenderer for attaining the B-BBEE status level of contributor in accordance with the following tables:

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

O
r

In respect of Exempted Micro Enterprises (EME's)

Black Ownership of EME	Deemed B-BBEE Status Level of Contributor	Number of Preference Points
More than 50%	3	16
Less than 50%	4	12

- (iii) a maximum of 20 points may be allocated under subparagraph (ii);
- (iv) the points scored by a tenderer in respect of B-BBEE contribution contemplated in subparagraph (ii) must be added to the points scored for price as calculated in accordance with subparagraph (i);

(3.2) The B-BBEE status level attained by a tenderer must be used to determine the number of points contemplated in subparagraph 3.1 (ii).

(3.3) Specifications must also must provide, as a special condition of contract, that, in the event of all tenders received exceeding the estimated Rand value of R1 000 000, the tender invitation will be cancelled, provided that if one or more of the acceptable tenders received are within the aforesaid threshold of R1 000 000, all tenders received will be evaluated in accordance with this preference point system.

29.4 90/10 Preference Points System

(4.1) Where applicable, specifications must include the following preference points evaluation system for the acquisition of services, works or goods with a Rand value above R1 000 000 (all applicable taxes included):

- (i) the following formula will be used to calculate the points for price in respect of tenders with a Rand value above R1 000 000 (all applicable taxes included):

$$P_s = 90 \left\| 1 - \frac{P_t - P_{min}}{P_{min}} \right\|$$

Where:

P_s = Points scored for comparative price of tender or offer under consideration;

P_t = Comparative price of tender or offer under consideration; and

P_{min} = Comparative price of lowest acceptable tender or offer.

- (ii) subject to subparagraph (iii), points must be awarded to a tenderer for attaining the B-BBEE status level of contributor in accordance with the following table:

B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

Or

In respect of Exempted Micro Enterprises (EME's)

Black Ownership of EME	Deemed B-BBEE Status Level of Contributor	Number of Preference Points
More than 50%	3	8
Less than 50%	4	5

(iii) a maximum of 10 points may be allocated under subparagraph (ii).

(iv) the points scored by a tenderer in respect of the level of B-BBEE contribution contemplated in subparagraph (ii) must be added to the points scored for price as calculated in accordance with subparagraph (i);

(4.2) The B-BBEE status level attained by a tenderer must be used to determine the number of points contemplated in subparagraph 4.1 (ii).

(4.3) Specifications must also must provide as a special condition of contract, that, in the event of all tenders received being equal to, or below R1 000 000, the invitation to tender will be withdrawn and all tenders received shall be regarded as having been cancelled provided that, If one or more of the acceptable tenders received are above the prescribed threshold of R 1 000 000, all tenders received will be evaluated in accordance with this preference point system.

29.5 Local Production

(5.1) Where, in the case of tenders in designated sectors, local production and content is of critical importance, the tender specification must clearly state, as a condition of tender, that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content, will be considered.

(5.2) The tender specification must also stipulate:

(a) that the exchange rate to be used for the calculation of local content or local production will be the exchange rate published by the South African Reserve Bank at 12:00 on the date, one week (7 calendar days) prior to the closing date of the invited bid;

(b) that only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x will be used to calculate local content in accordance with the following formula:

$$LC = 1 - \frac{x}{y} \times 100$$

Where

x imported content

y bid price excluding value added tax (VAT)

and that the prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid;

(c) that the Form MBD 6.2 (Declaration Certificate for Local Content) duly complete and signed must form part of the bid documentation;

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- (d) that the municipality reserves the right to verify the accuracy of the rates of exchange quoted by the bidder in paragraph 4.1 of the aforesaid Certificate.

- (5.3) The accounting officer may decide to include in any invitation to bid a specific bidding condition that only locally produced goods, services or works or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered on condition that such prescript and threshold(s) are in accordance with the specific directives issued for this purpose by National Treasury in consultation with the Department of Trade and Industry and, in such event, the requirements stipulated in subparagraph 5.2 shall be inserted in the tender specification.
- (5.4) Where necessary, bid specifications for tenders referred to in subparagraph 5.1 may state that a two- stage tendering process will be followed, where the first stage will involve functionality and minimum threshold for local production and content and the second stage price and B-BBEE with the possibility of price negotiations only with the short listed tenderers with a view to effecting cost savings in circumstances where the tendered prices are obviously inflated or to ensure the award of the tender concerned within budgetary constraints provided that, where such negotiations take place, the principles contained in paragraph 25.1 of this policy shall be applied.
- (5.5) Any tender specification issued in terms of this subparagraph must be capable of being measured and audited.

29.6 B-BBEE status level certificates and scorecards

Bid specifications must state that:

- (i) Those tenderers who qualify as Exempted Micro Enterprises (EME's) in terms of the Broad-Based Black Economic Empowerment Act, must submit, together with their tender, a certificate to this effect issued by a registered auditor, accounting officer (as contemplated in section 60(4) of the Close Corporations Act, 1984 (Act No. 69 of 1984)) or an accredited verification agency provided that a certificate issued by an Accounting Officer of a closed corporation must be on his letterhead which should also contain his practice number and contact number clearly specified on the face of such certificate.
- (ii) Tenderers other than Exempted Micro-Enterprises (EME's) must submit, with their tender, their original and valid B-BBEE Status Level Verification Certificate complying at least with the provisions subparagraphs (v) and (vi), or a certified copy thereof, in support of their B-BBEE rating.
- (iii) A trust, consortium or joint venture will qualify for points for its B-BBEE status level as a legal entity, provided its submits its B-BBEE Status Level Verification Certificate with its tender.
- (iv) A trust, consortium or joint venture will qualify for points for its B-BBEE status level as an unincorporated entity, provided that it submits its consolidated B-BBEE scorecard as if were a group structure and, provided further, that such a consolidated B-BBEE scorecard is prepared for every separate tender.

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- (v) As a minimum requirement, all valid B-BBEE Status Level Verification Certificates should have the following information detailed on the face of the certificate:
- The name and physical location of the measured entity;
 - The registration number and, where applicable, the VAT number of the measured entity;
 - The date of issue and date of expiry;
 - The certificate number for identification and reference;
 - The scorecard that was used (for example EME, QSE or Generic);
 - The name and / or logo of the Verification Agency;
 - The SANAS logo;
 - The signature of the authorized person from the Verification Agency concerned; and
 - The B-BBEE Status Level of Contribution obtained by the measured entity.
- (vi) The format and content of B-BBEE Status Level Verification Certificates issued by registered auditors approved by the Independent Regulatory Board of Auditors (IRBA) must -
- Clearly identify the B-BBEE approved registered auditor by the auditor's individual registration number with IRBA and the auditor's logo;
 - Clearly record an approved B-BBEE Verification Certificate identification reference in the format required by the SANAS;
 - Reflect relevant information regarding the identity and location of the measured entity;
 - Identify the Codes of Good Practice or relevant Sector Codes applied in the determination of the scores;
 - Record the weighting points (scores) attained by the measured entity for each scorecard element, where applicable, and the measured entity's overall B-BBEE Status Level of Contribution;
 - Reflect that the B-BBEE Verification Certificate and accompanying assurance report issued to the measured entity is valid for 12 months from the date of issuance;
 - Reflect both the issuance and expiry date of the Verification Certificate.

29.7 Additional Conditions

A bid specification must include a reference to the following additional conditions, where applicable:

29.7.1 Sub-contracting

- (a) A person will not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended sub-contractor is an exempted micro enterprise that has the capability and ability to execute the sub-contract.
- (b) A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an exempted micro enterprise that has the capability and ability to execute the sub-

contract.

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- (c) A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

29.7.2 Specific goals

- (a) In terms of section 7 of the Preferential Procurement Regulations, a contract may be awarded to a tenderer that did not score the highest total number of points, only in accordance with section 2 (1) (f) of the Preferential Procurement Policy Framework Act No. 5 of 2000.
- (b) In the application of section 2 (1)(f) of the aforesaid Act, the accounting officer may explicitly determine in any bid specification that a tenderer shall be required to attain a specific goal or goals *other* than and excluding the goals of contracting with historically disadvantaged persons and implementing Reconstruction and Development Programmes in order to qualify for the award of a contract.

29.8 Miscellaneous Special Conditions of Contract

A bid specification must, inter alia, include the following conditions as Special Conditions of Contract:

29.8.1 General

- (a) Only a tenderer who has completed and signed the declaration part of the tender documentation may be considered;
- (b) When comparative prices must be calculated, any discounts which have been offered unconditionally will be taken into account;
- (c) A discount which has been offered conditionally will, despite not being taken into account for evaluation purposes, be implemented when payment to a tenderer in respect of an accepted tender is effected;
- (d) Points scored will be rounded off to the nearest 2 decimal places.
- (e) (i) In the event that two or more tenders score equal total points, the successful tender will be the one scoring the highest number of preference points for B-BBEE;
- (ii) However, when functionality is part of the evaluation process and two or more tenders have scored equal points including equal preference points for B-BBEE, the successful tender will be the one scoring the highest score for functionality.
- (iii) Should two or more tenders be equal in all respects, the award shall be decided by the drawing of lots.

29.8.2 Cancelling a tender

- (f) The accounting officer may, prior to the award of a tender, by notice in the media in which the original tender was advertised, cancel such tender if due to changed circumstances, there is no longer a need for the services, works or goods requested or if funds are no longer available to cover the total envisaged expenditure or if no acceptable tenders are received.

29.8.3 Declarations

- (g) A tenderer must -
- (i) declare that the information provided in a tender document is true and correct;
 - (ii) declare that the signatory to a tender document is duly authorised; and
 - (iii) undertake to submit documentary proof regarding any tendering issue when required to the satisfaction of the municipality.

29.8.4 Remedies

- (h) In addition to the action contemplated in paragraph 41 of this policy which shall be read in conjunction with this subparagraph:
- (i) The municipality will, upon detecting that the B-BBEE status level of contribution has been claimed or obtained by a tenderer on a fraudulent basis or any of the conditions of a contract awarded to such tenderer or contractor have not been fulfilled, act against such tenderer or person awarded the ensuing contract.
 - (ii) The municipality may, in addition to any other remedy it may have against the person contemplated in subparagraph (i) above-
 - (a) disqualify the person concerned from participating in any future tender process with the municipality;
 - (b) recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the relevant contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (iii) The municipality may restrict a tenderer or contractor, its shareholders and directors, or only the shareholders and directors, as the case may be, who acted on a fraudulent basis in connection with a tender, from obtaining business from the municipality for a period not exceeding 10 years, provided that, before exercising this right, the municipality shall give the persons or parties concerned an opportunity to make representations and be heard in defence of such contemplated action; and
 - (iv) The municipality may refer any fraudulent action on the part of a tenderer or contractor or any party aforesaid to the South African Police Services with a view to criminal prosecution.
- (i) Where a tenderer or contractor is restricted in terms of subparagraph (h)(iii) above, the accounting officer shall forward the relevant details to National Treasury for inclusion in the Central Database of Restricted Suppliers.

30. Procurement from tertiary institutions

- (a)** Where the municipality is in need of a service provided by only tertiary institutions, such services must be procured through a tendering process with the identified tertiary institutions.
- (b)** Tertiary institutions referred to in subparagraph (a) will be required to submit their B-BBEE status in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- (c)** Should the municipality require a service that can be provided by one or more tertiary institutions or public entities and enterprises from the private sector, the appointment of a contractor will be done by means of a tendering process.
- (d)** Public entities must be required to submit their B-BBEE status in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- (e)** For purposes of this paragraph, a tendering process includes a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of services, works or goods, through price quotations, advertised competitive tendering processes or proposals.

31. Re-invitation of tenders

The accounting officer must re-invite tenders cancelled in terms of paragraphs 29(3.3) and 29(4.3) and must, in the new tender documents, stipulate the correct preference point system to be applied.

32. Bid evaluation committees

- (1)** A bid evaluation committee must, as far as possible, be composed of-
 - (a)** officials from departments requiring the goods or services; and
 - (b)** at least one supply chain management practitioner of the municipality.
- (2)** A bid evaluation committee must -
 - (a)** evaluate bids in accordance with the relevant bid specification, inclusive of unconditional discounts, sub-contracting and this policy; and
 - (b)** evaluate each bidder's ability to execute the contract provided that, where bids are invited on the basis of functionality as a criterion, they must be evaluated in the following two stages:
 - (i) First stage - evaluation of functionality**
 - (a)** bids must be evaluated in terms of the evaluation criteria embodied in the bid specification. The amendment of evaluation criteria, weights, applicable values and/or the minimum qualifying score for functionality after the closure of bids is not allowed as this may jeopardize the fairness of the process;

-
- (b) a bid will be considered further if it achieves the prescribed minimum qualifying score for functionality;
 - (c) bids that fail to achieve the minimum qualifying score for functionality must be disqualified;
 - (d) score sheets should be prepared and provided to panel members to evaluate the bids;
 - (e) a score sheet should contain all the criteria and the weight for each criterion as well as the values to be applied for evaluation as indicated in the bid specification;
 - (f) each panel member should, after thorough evaluation, independently award his own value to each individual criterion;
 - (g) score sheets should be signed by panel members and if necessary, a written motivation may be requested from panel members where vast discrepancies in the values awarded for each criterion exist -

provided that if the minimum qualifying score for functionality is indicated as a percentage in the bid specification, the percentage scored for functionality may be calculated as follows:

- (h) the value awarded for each criterion should be multiplied by the weight for the relevant criterion to obtain the score for the various criteria;
- (i) the scores for each criterion should be added to obtain the total score; and
- (j) the following formula should be used to convert the total score to percentage for functionality:

$$P_s = \frac{S_o}{M_s} \times 100$$

Where:

Ps = percentage scored for functionality by bid under consideration

So = total score of bid under consideration

Ms = maximum possible score

- (k) the percentage of each panel member should be added and divided by the number of panel members to establish the average percentage obtained by each bidder for functionality.

(ii) Second stage - Evaluation in terms of the 80/20 or 90/10 preference point systems

Only bids that achieve the minimum qualifying score / percentage for functionality must be evaluated further in accordance with the bid specification.

(c) evaluate bids based on a stipulated minimum threshold for local production and content as required in the relevant bid specification in the following two stages:

(i) First stage – Evaluation in terms of the stipulated minimum threshold for local production and content

(a) bids must be evaluated in terms of the evaluation criteria stipulated in the bid specification. The amendment of the stipulated minimum threshold for local production and content after the closure of bids is not allowed as this may jeopardize the fairness of the process;

(b) a bid must be disqualified if:

- the bidder fails to achieve the stipulated minimum threshold for local production and content; and
- the Declaration Certificate for Local Content (Form MBD 6.2) is not submitted as part of the bid;

(c) calculate the local content (LC) as a percentage of the bid price in accordance with the SABS approved technical specification number SATS 1286: 201x;

(d) verify the accuracy of the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate for Local Content (Form MBD 6.2)

(ii) Second stage - Evaluation in terms of the 80/20 or 90/10 preference point systems

(e) only bids that achieve the minimum stipulated threshold for local production and content must be evaluated further in accordance with the relevant preference point system referred to in the bid specification.

(f) where appropriate, prices may be negotiated only with short listed or preferred bidders. Such negotiations must, however, not prejudice any other bidders.

(d) check in respect of the recommended bidder whether or not such bidder's municipal rates and taxes and municipal service charges are not in arrears;

(e) verify the status of recommended bidders (including their directors(s), owners(s) or trustee(s)) by checking the Data Base of Restricted Suppliers maintained by National Treasury in order to ensure that no recommended bidder or any of its directors/owners/trustees are listed as companies or

persons prohibited from doing business with the public sector.

- (f) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter provided that:
 - (i) a contract must be awarded to the bidder who scored the highest total number of points in terms of the preference points systems referred to in paragraphs 29(3.3) and 29(4.3) as may be applicable; and
 - (ii) in exceptional circumstances and as provided in paragraph 29(7.2) of this policy, a contract may be awarded to a bidder that did not score the highest number of points provided that the reasons for such a recommendation must be recorded for audit purposes and be defensible in a court of law.

33. Bid adjudication committees

- (1) A bid adjudication committee must consist of at least four senior managers of the municipality which must include -
 - (a) the chief financial officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer; and
 - (b) at least one senior supply chain management practitioner who is an official of the municipality; and
 - (c) a technical expert in the relevant field who is an official of the municipality if the municipality has such an expert;
 - (d) the accounting officer may second a person with same authority as a member of the committee, temporarily in the event of a member being sick or on leave;
 - (e) a Quorum for the bid adjudication committee shall be, half plus one member of the total number of members with voting rights.
- (2) The accounting officer must appoint the chairperson of the committee who shall preferably be the chief financial officer. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting and such election must be recorded in the minutes of the meeting concerned.
- (3) Only with the consent of the accounting officer and upon request by the bid adjudication committee, a member of a bid specification, bid evaluation committee and/or an advisor or person assisting these committees may be a member of a bid adjudication committee for the purpose of providing clarity and an explanation of difficult technical aspects relating to the bid being adjudicated.
- (4) A bid adjudication committee must –
 - (a) consider the report and recommendations of the bid evaluation committee submitted in terms of paragraph 32; and
 - (b) either –

-
- (i) depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or
 - (ii) make another recommendation to the accounting officer on how to proceed with the relevant procurement.
 - (5) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid -
 - (a) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and
 - (b) notify the accounting officer.
 - (6) The accounting officer may -
 - (a) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in subparagraph 5(a); and
 - (b) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
 - (7) The accounting officer may, at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
 - (8) If a tender other than the one recommended in the normal course of implementing this policy is approved, the accounting officer must, in writing and within 10 working days, notify the Auditor-General and the National and Provincial Treasuries of the reasons for deviating from such recommendation.
 - (9) Subparagraph 8 does not apply if a different tender was approved in order to rectify an irregularity.

34. Procurement of banking services

- (1) A contract for banking services -
 - (a) must be procured through competitive bids;
 - (b) must be consistent with section 7 or 85 of the Act; and
 - (c) may not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 23 (1).
- (4) Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

35. Procurement of IT related goods or services

- (1)** The accounting officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.
- (2)** Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.
- (3)** The accounting officer must notify SITA together with a motivation of the IT needs if -
 - (a)** the transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or
 - (b)** the transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).
- (4)** If SITA comments on the submission and the municipality does not agree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National and Provincial Treasuries and the Auditor-General.

36. Procurement of goods and services under contracts secured by other organs of state

- (1)** The accounting officer may procure goods or services under a contract secured by another organ of state, but only if -
 - (a)** the contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
 - (b)** there is no reason to believe that such contract was not validly procured;
 - (c)** there are demonstrable discounts or benefits to do so; and
 - (d)** that other organ of state and the provider have consented to such procurement in writing.
- (2)** Subparagraphs (1) (c) and (d) do not apply if -
 - (a)** a municipal entity procures goods or services through a contract secured by its parent municipality; or
 - (b)** a municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

37. Procurement of goods necessitating special safety arrangements

- (1)** The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided where ever possible.
- (2)** Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the accounting officer.

38. Proudly SA Campaign

The municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services from:

Firstly – suppliers and businesses within the municipality;

Secondly – suppliers and businesses within the relevant district and province;

Thirdly – suppliers and businesses within the Republic.

39. Appointment of consultants

- (1)** The accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.
- (2)** Consultancy services must be procured through competitive bids if -
 - (a)** the value of the contract exceeds R200 000 (VAT included); or
 - (b)** the duration period of the contract exceeds one year.
- (3)** In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of -
 - (a)** all consultancy services provided to an organ of state in the last five years; and
 - (b)** any similar consultancy services provided to an organ of state in the last five years.
- (4)** The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised by a consultant in the course of the consultancy service is vested in the municipality.

40. Deviation from, and ratification of minor breaches of, procurement processes

- (1)** The accounting officer may -
 - (a)** dispense with the official procurement processes established by this policy and procure any required goods or services through any convenient process, which may include direct negotiations, but only -
 - (i)** in an emergency;
 - (ii)** if such goods or services are produced or available from a single provider only;
 - (iii)** for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv)** acquisition of animals for zoos and/or nature and game reserves; or

-
- (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
 - (b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.
- (2) The accounting officer must record the reasons for any deviations in terms of subparagraphs (1) (a) and (b) of this policy and report them to the next meeting of the council and also include such reasons as a note to the annual financial statements.
- (3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

41. Unsolicited bids

- (1) An unsolicited bid is a bid that is submitted by a prospective supplier to the municipality without any procurement requirement first having been identified and advertised. This situation arises when a supplier identifies an opportunity to render services or supply products not ordinarily required by the municipality.
- (2) In accordance with section 113 of the Act, there is no obligation upon the municipality to consider unsolicited bids received outside a normal bidding process.
- (3) The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid but only if -
- (a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
 - (b) the product or service will be exceptionally beneficial to the municipality or have exceptional cost advantages;
 - (c) the person who made the bid is the sole provider of the product or service concerned; and
 - (d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.
- (4) If the accounting officer decides to consider an unsolicited bid that complies with subparagraph (3), his decision must be made public in accordance with section 21A of the Municipal Systems Act, together with -
- (a) reasons as to why the bid should not be open to other competitors;
 - (b) an explanation of the potential benefits if the unsolicited bid were accepted; and
 - (c) an invitation to the public or other potential suppliers to submit their comments on the proposal within 30 days of the publication of the relevant notice.
- (5) The accounting officer must submit all written comments received pursuant to

subparagraph (4), including any responses from the unsolicited bidder, to the National and Provincial Treasuries for comment.

- (6) Subject to subparagraphs (7) and (8) below, the adjudication committee must consider the unsolicited bid and may, depending on its delegations, award the bid or make a recommendation to the accounting officer.
- (7) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
- (8) When considering the matter, the adjudication committee must take into account -
 - (a) any comments submitted by the public; and
 - (b) any written comments and recommendations of the National and Provincial Treasuries.
- (9) If any recommendations of the National and Provincial Treasuries are rejected or not followed, the accounting officer must submit to the Auditor-General and the National and Provincial Treasuries the reasons for rejecting or not following those recommendations.
- (10) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.
- (11) The processes to be followed by the municipality with regard to the acceptance or rejection of an unsolicited bid shall clearly be made known to the bidder who submits the unsolicited bid concerned.
- (12) The council shall exercise caution when interviewing a potential supplier or a person who may wish to offer services to the municipality in circumstance which may be tantamount to the submission of or negotiation with regard to an unsolicited bid and shall not do anything or cause anything to be done which may be contrary to this policy.

42. Combating of abuse of supply chain management system

- (1) The accounting officer must-
 - (a) take all reasonable steps to prevent abuse of the supply chain management system;
 - (b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this policy, and when justified -
 - (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service;
 - (c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;

(d) reject any bid from a bidder –

(i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three months; or

(ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;

(e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;

(f) cancel a contract awarded to a person if -

(i) such person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or

(ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and

(g) Reject the bid of any bidder if that bidder or any of its directors -

(i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;

(ii) has been convicted for fraud or corruption during the past five years;

(iii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or

(iv) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

(2) The accounting officer must inform the National and Provincial Treasuries in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) above.

Part 3: Logistics, Disposal, Risk and Performance Management

43. Logistics management

The accounting officer must establish and implement an effective system of logistics management, which must include -

(a) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;

-
- (b) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
 - (c) the placing of manual or electronic orders for all acquisitions other than those from petty cash;
 - (d) before payment is approved , certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
 - (e) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
 - (f) regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
 - (g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

44. Disposal management

- (1) In terms of section 14 of the Act, the municipality may not transfer ownership as a result of sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.
- (2) A municipality may transfer ownership or otherwise dispose of capital asset other than one contemplated in subsection (1), but only after the council, in a meeting open to the public-
 - (a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
 - (b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.
- (3) Assets may be disposed of by -
 - (i) transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
 - (ii) transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
 - (iii) selling the asset; or
 - (iv) destroying the asset.
- (4) The accounting officer must ensure that -
 - (a) when immovable property is sold by means of a competitive bidding process, the highest price offered shall be accepted, provided such price is equal to or higher than the market related price for the relevant immovable property;

-
- (b) in other cases, only at a market related price except when the public interest or the plight of the poor demands otherwise in which event the sale price shall be determined in accordance with the applicable land disposal or indigent policy adopted by the council;
 - (c) movable assets are sold either by way of written price quotations, a competitive bidding process or by public auction at the highest offered price, provided such price is market related;
 - (d) firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;
 - (e) immovable property is let at market related rentals except when the public interest or the plight of the poor demands otherwise in which event the rental shall be determined in accordance with the applicable land disposal or indigent support policy adopted by the council;
 - (f) all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
 - (g) where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
 - (h) in the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate, within 30 days, whether any of the local schools are interested in the equipment.
- (5) This paragraph must be read with and applied in conjunction with the Municipal Asset Transfer Regulations contained in Government Notice R. 878 of 22 August 2008 and the associated policies adopted by the council. In the event of conflict, the provisions of the aforesaid Regulations shall be applied.

45. Risk management

- (1) The accounting officer must establish and implement an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system.
- (2) Risk management must include -
 - (a) the identification of risks on a case-by-case basis;
 - (b) the allocation of risks to the party best suited to manage such risks;
 - (c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
 - (d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
 - (e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

46. Performance management

The accounting officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorized supply chain management processes were followed and whether the objectives of this policy were achieved.

Part 4: Other matters

47. Prohibition on awards to persons whose tax matters are not in order

- (1) No award above R30 000 may be made in terms of this policy to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- (2) Before making an award to a person, the accounting officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 days of request for confirmation in terms of subparagraph (2), such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

48. Prohibition on awards to persons in the service of the state

Irrespective of the procurement process followed, no award may be made to a person in terms of this policy -

- (a) who is in the service of the state;
- (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
- (c) who is an advisor or consultant contracted with the municipality.

49. Awards to close family members of persons in the service of the state

The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2 000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including -

- (a) the name of that person;
- (b) the capacity in which that person is in the service of the state; and
- (c) the amount of the award.

50. Ethical standards

- (1) The code of ethical standards annexed to this policy as Annexure A shall apply to all officials and other role players in the supply chain management system of the municipality in order to promote -

- (a) mutual trust and respect; and
- (b) an environment where business can be conducted with integrity and in a fair and reasonable manner.

(2) A breach of the aforesaid code of ethics must be dealt with as follows -

-
- (a) in the case of an employee, in terms of the disciplinary procedures of the municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
 - (b) in the case a role player who is not an employee, through other appropriate means with due regard to the severity of the breach;
 - (c) in all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.

51. Inducements, rewards, gifts and favours to municipalities, officials and other role players

- (1) No person who is a provider or prospective provider of goods or services or a recipient or prospective recipient of goods disposed of or to be disposed of may either directly or through a representative or intermediary promise, offer or grant -
 - (a) any inducement or reward to the municipality for or in connection with the award of a contract; or
 - (b) any reward, gift, favour or hospitality to -
 - (i) any official; or
 - (ii) any other role player involved in the implementation of this policy.
- (2) The accounting officer must promptly report any alleged contravention of subparagraph 1 to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.
- (3) Subparagraph (1) does not apply to gifts less than R350 in value.

52. Sponsorships

The accounting officer must promptly disclose to the National and Western Cape Provincial Treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary by any person who is -

- (a) a provider or prospective provider of goods or services to the municipality; or
- (b) a recipient or prospective recipient of goods disposed of or to be disposed of by the municipality.

53. Objections and complaints

Persons aggrieved by decisions or actions taken in the implementation of the supply chain management system, may lodge with the accounting officer, within 14 days of the decision or action, a written objection or complaint against the decision or action concerned.

54. Resolution of disputes, objections, complaints and queries

- (1) The accounting officer must appoint an independent and impartial person, not directly involved in the supply chain management processes -
 - (a) to assist in the resolution of disputes between the municipality and other

- (i) any decisions or actions taken in the implementation of the supply chain management system; or
 - (ii) any matter arising from a contract awarded in the course of the supply chain management system; or
- (b) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
- (2) The accounting officer or another official designated by the accounting officer is responsible for assisting the appointed person to perform his or her functions effectively.
- (3) The person appointed must -
 - (a) strive to resolve promptly all disputes, objections, complaints or queries received; and
 - (b) submit monthly reports to the accounting officer on all disputes, objections, complaints or queries received, attended to or resolved.
- (4) A dispute, objection, complaint or query may be referred to the Western Cape Provincial Treasury if -
 - (a) the dispute, objection, complaint or query is not resolved within 60 days of lodgment; or
 - (b) no response is forthcoming within 60 days of lodgment.
- (5) If the Western Cape Provincial Treasury does not or cannot resolve the matter, the dispute, objection, complaint or query concerned may be referred to the National Treasury for resolution.
- (6) This paragraph must not be read as affecting a person's rights to approach a competent court for such order as may be just and necessary in the circumstances at any time.

55. Contracts providing for compensation based on turnover

If a service provider acts on behalf of the municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate -

- (a) a cap on the compensation payable to the service provider; and
- (b) that such compensation must be performance based.

56. Contract Management – issue of variation orders

- (a) The accounting officer or nominee may, subject to subparagraphs (b) to (d) authorize the issue of variation orders in respect of contract specifications or

conditions of contract in order to accommodate costs for additional work either unforeseen when contracts were awarded for infrastructure projects, essential or necessary additional work or in instances where factors beyond the control of an appointed contractor has led to or will lead to a delay in a contract completion date.

-
- (b) A variation order may only be issued after -
- (i) the need for such order has been fully motivated by the responsible project manager and supported by the head of department concerned; and
 - (ii) the chief financial officer has certified that funds are available to cover the cost the required additional work.
- (c) A request for the issue of a variation order in an amount exceeding R200 000 shall first be referred to the Bid Adjudication Committee which considered the initial bid for approval provided that the accounting officer may constitute a new Bid Adjudication Committee for this purpose.
- (d) No request for a variation order may be approved in circumstance where new bids may be invited for the additional work concerned.
- (e) The line manager responsible for the implementation of a project undertaken either departmentally or through an appointed contractor must keep a proper record of all variation orders issued in respect of a project.
- (f) The original copy of an issued variation order must be filed with the original bid and contract documents;
- (g) The responsible line manager must, upon completion of additional work or the expiry of any extended contract period authorized by a variation order, certify that the terms and conditions of such variation order have been complied with.

57. Application of policy to municipal entities

- (a) The provisions of this policy generally do not apply to municipal entities.
- (b) The supply chain management system of a municipal entity shall be applied with due regard to the provisions of this policy and the Regulations and, in the event of conflict, the provisions of the Regulations shall enjoy preference.

58. Fronting

- (a) For purposes of this paragraph, "fronting" shall include the under-mentioned acts on the part of a tenderer or any person or party associated with a tenderer:
- (i) **Window-dressing:** This includes cases in which black people are appointed or introduced to an enterprise on the basis of tokenism and may subsequently be discouraged or inhibited from substantially participating in the core activities of the enterprise concerned and/or be discouraged or inhibited from substantially participating in the declared areas and/or levels of their participation;
 - (ii) **Benefit Diversion:** This includes initiatives where the economic benefits received by an organization for having B-BBEE Status do not flow to black people in the ratio specified by law;

-
- (iii) **Opportunistic Intermediaries:** This includes enterprises that have concluded agreements with other enterprises in order to leverage the opportunistic intermediary's favourable B-BBEE status in circumstances where the agreement involves:
- (a) Significant limitations or restrictions on the identity of the opportunistic intermediary's suppliers, service providers, clients or customers;
 - (b) The maintenance of their business operations in a context reasonably considered improbable having regard to resources; and
 - (c) Terms and conditions that are not negotiated at arms-length on a fair and reasonable basis.
- (b) Where the accounting officer detects fronting, he must act against a tenderer concerned in terms of paragraph 29(8.4) and, in addition, report such fronting to the Department of Trade and Industry.

58. Commencement

This policy takes effect on the date of its adoption by the council.

BERGRIVIER MUNICIPALITY

**CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND
OTHER ROLE PLAYERS**

The purpose of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

1. General Principles

The municipality commits itself to a policy of fair dealing and integrity in the conducting of its business. Officials and other role players involved in supply chain management (SCM) are in a position of trust which implies a duty to act in the public interest. Officials and other role players should not perform their duties to unlawfully gain any form of compensation, payment or gratuity from any person, or provider / contractor either for themselves, their family, their friends and business associates.

Officials and other role players involved in SCM should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation, policies and guidelines. They should ensure that public resources are administered responsibly.

Officials and other role players involved in SCM should be fair and impartial in the performance of their functions. They should, at no time, afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual, they should also not abuse the power and authority vested in them.

2. Conflict of interest

An official or other role player involved with supply chain management -

- (a)** must treat all providers and potential providers equitably and fairly;
- (b)** may not use his or her position for private gain or to improperly benefit another person;
- (c)** may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
- (d)** must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
- (e)** must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by the municipality;
- (f)** must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;

-
- (g) must declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;
 - (h) should not place him/herself under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and
 - (i) should not take improper advantage of their previous office after leaving their official position.

3. Accountability

3.1 Practitioners are accountable for their decisions and actions to the public.

3.2 Practitioners should use public property scrupulously.

3.3 Only accounting officers or their delegates have the authority to commit the municipality to any transaction for the procurement of goods and / or services.

3.4 All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.

3.5 Practitioners must assist the accounting officer in combating fraud, corruption, favoritism and unfair and irregular practices in the supply chain management system.

3.6 Practitioners must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including but not limited to -

- (i) any alleged fraud, corruption, favoritism or unfair conduct;
- (ii) any alleged contravention of the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials or other role players; and
- (iii) any alleged breach of this code of conduct.

3.7 Any declarations made must be recorded in a register which the accounting officer must keep for this purpose. Any declarations made by the accounting officer must be made to the mayor who must ensure that such declaration is recorded in the register.

4. Openness

Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

5. Confidentiality

5.1 Any information that is the property of the municipality or its providers should be protected at all times. No information regarding any bid/contract/bidder/contractor may be revealed if such an action will infringe on the relevant bidder's/contractors personal rights.

-
- 5.2** Matters of confidential nature in the possession of officials and other role players involved in SCM should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions also apply to officials and other role players involved in SCM after separation from service.

6. Bid Specification / Evaluation / Adjudication Committees

- 6.1** Bid specification, evaluation and adjudication committees should implement supply chain management on behalf of the municipality in an honest, fair, impartial, transparent, cost-effective and accountable manner.
- 6.2** Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.
- 6.3** All members of bid adjudication committees should be cleared by the accounting officer at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.
- 6.4** No person should-
- 6.4.1** interfere with the supply chain management system of the municipality; or
 - 6.4.2** Amend or tamper with any price quotation / bid after its submission.

7. Combative Practices

Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:

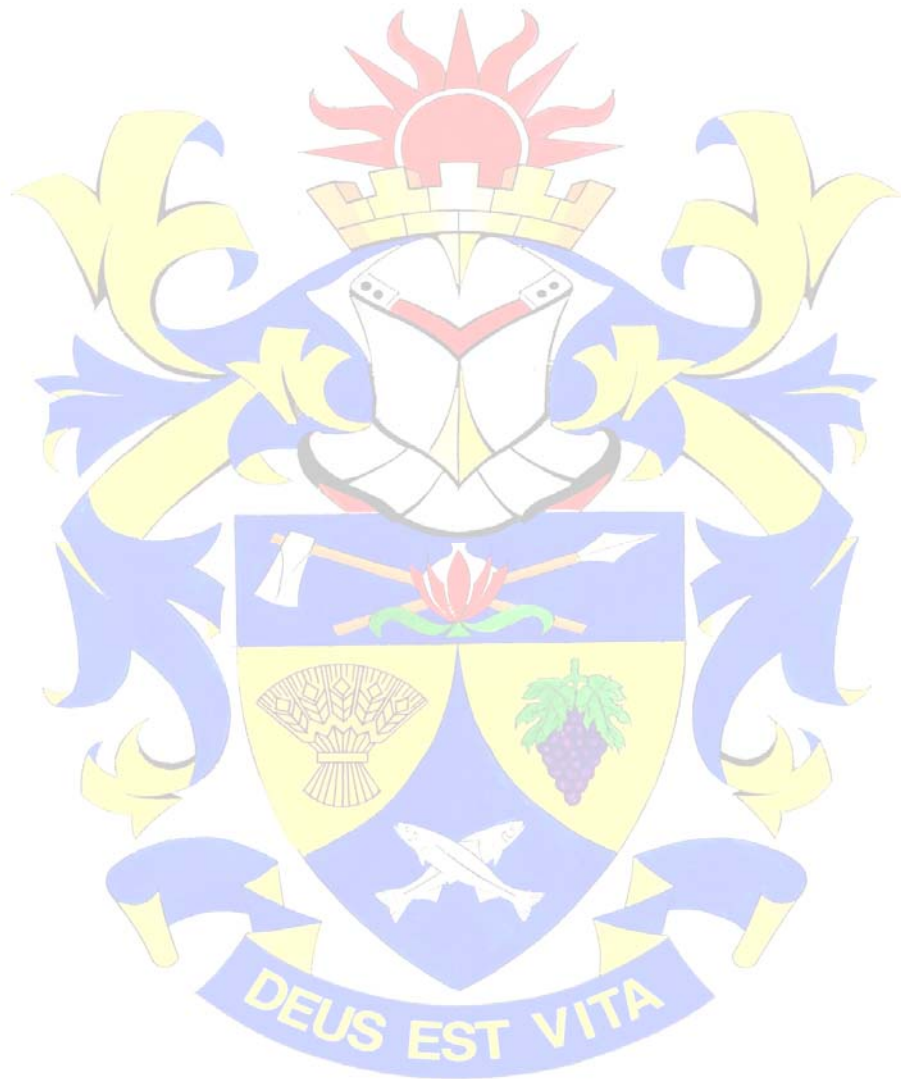
- (i)** suggestions to fictitious lower quotations;
- (ii)** reference to non-existent competition;
- (iii)** exploiting errors in price quotations / bids;
- (iv)** soliciting price quotations / bids from bidders / contractors whose names appear on the Register for Tender Defaulters.

ANNEXURE B**SCHEDULE TO SMALL BUSINESSES ACT NO. 102 OF 1996**

Column 1	Column 2	Column 3	Column 4	Column 5
Sector or sub-sector in accordance with the Standard Industrial Classification	Size of class	The total full-time equivalent of paid employees	Total turnover	Total gross asset value (fixed property excluded)
Agriculture	Medium Small Very small Micro	100 50 10 5	R 5 m R 3 m R 0.50 m R 0.20 m	R 5 m R 3 m R 0.50 m R 0.10 m
Mining and Quarrying	Medium Small Very small Micro	200 50 20 5	R 39 m R 10 m R 4 m R 0.20 m	R 23 m R 6 m R 2 m R 0.10 m
Manufacturing	Medium Small Very small Micro	200 50 20 5	R 51 m R 13 m R 5 m R 0.20 m	R 19 m R 5 m R 2 m R 0.10 m
Electricity, Gas and Water	Medium Small Very small Micro	200 50 20 5	R 51 m R 13 m R 5.10 m R 0.20 m	R 19 m R 5 m R 1.90 m R 0.10 m
Construction	Medium Small Very small Micro	200 50 20 5	R 26 m R 6 m R 3 m R 0.20 m	R 5 m R 1 m R 0.50 m R 0.10 m
Retail and Motor Trade and Repair Services	Medium Small Very small Micro	200 50 20 5	R 39 m R 19 m R 4 m R 0.20 m	R 6 m R 3 m R 0.60 m R 0.10 m
Wholesale Trade, Commercial Agents and Allied Services	Medium Small Very small Micro	200 50 20 5	R 64 m R 32 m R 6 m R 0.20 m	R 10 m R 5 m R 0.60 m R 0.10 m
Catering, Accommodation and other Trade	Medium Small Very small Micro	200 50 20 5	R 13 m R 6 m R 5.10 m R 0.20 m	R 3 m R 1 m R 1.90 m R 0.10 m
Transport, Storage and Communications	Medium Small Very small Micro	200 50 20 5	R 26 m R 13 m R 3 m R 0.20 m	R 6 m R 3 m R 0.60 m R 0.10 m
Finance and Business Services	Medium Small Very small Micro	200 50 20 5	R 26 m R 13 m R 3 m R 0.20 m	R 5 m R 3 m R 0.50 m R 0.10 m
Community, Social and Personal Services	Medium Small Very small Micro	200 50 20 5		

BERGRIVIER

Munisipaliteit / Municipality



BORROWING POLICY

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1. INTRODUCTION

In terms of Chapter 6 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003), (The "Act") the municipality may incur long- and short-term debt, subject to certain conditions.

The municipality sometimes need additional bridging funding for over short-term periods and to finance long-term projects (capital projects).

This Debt Policy provides for the municipality to obtain short- and long-term debt and set out all conditions under which the municipality will be entitled to obtain such debt.

All employees of the municipality should adhere to this policy.

2. POLICY FRAMEWORK

This policy addresses all relevant principles and processes to be followed when obtaining short- and long-term debt, to ensure sufficient management of debt. The policy includes the following:

- Objectives of the policy
- Due diligence
- Delegations
- Management and internal control procedures
- Debt Management
- Types of Debt
- Securities for Debt
- Approval procedures
- Cost of Debt
- Competitive selection of bids
- Types of Debt and financing sources
- Commission and discounts
- Forbidden activities
- Reporting and monitoring of requirements
- Review of the policy

3. OBJECTIVES

The objectives of this policy are to ensure optimal performance with the lowest possible risk through managing the debt, and to ensure accountability, responsibility and transparency throughout the process.

4. DUE DELIGENCE

Each official involved in the process of debt must do so with such judgments and care, under prevailing circumstances, as a person of prudence, discretion and intelligence would exercise in managing his or her own affairs and with his or her primary goal to protect the municipality's cash resources, the municipality's interests with its funders, and in general the municipality's good name.

Speculation may not be undertaken in any of the processes.

5. DELEGATIONS

The management of all cash resources of the municipality is the responsibility of the Municipal Manager. The Municipal manager will be responsible for:

- the proper implimentation of this policy;
- developing of a relevant system for delegation which will ensure administrative as well as operational effectiveness; and
- appropriate controles on balancing of the managment of cash resources

The Chief Financial Officer, as designated in writing by the Municipal Manager, should advise the Municipal Manager on the exercise of powers and duties with regard to this policy, and assist the Municipal Manager in the administration of the cash resources, bank accounts and debt account.

The Municipal Manager may not delegate any powers or duties in the administration of the municipality's cash resources to any political structure or councilor and no council member is allowed to interfere or attempt to interfere in the management of the municipality's cash resources.

Any delegation by the Municipal Manager in terms of this policy:

- Must be in writing.
- Is subject to any restrictions and conditions as the Municipal Manager shall prescribe.
- May be either to a specific individual or to the holder of a specific position in the municipality and may not be a committee of officials.

- Can not deprive the Municipal Manager of the responsibility concerning the exercise of delegated powers or the performance of the delegated duty.

The municipal manager may question any decision taken as a result of a delegation or sub-delegation in terms of this policy to confirm, amend or repeal, but no such amendment or repeal of an act may be done to break down any rights that would arise as a result of the decision.

For the implementation of this policy, any reference to "Municipal Manager" also means "any other person acting under a delegated power or function as exercising delegated by the Municipal Manager in terms of paragraph 5.

6. MANGEMENT AND INTERNAL CONTROL PROCEDURES

The Municipal Manager, assisted by the Chief Financial Officer must take all reasonable steps to ensure:

- That the municipality have a managerial-, accounting- and information system to maintain all debt-, accounts-, receipting-, withdrawals- and debt transactions.
- That, in the case of debt, amounts due been calculated on a monthly basis.
- That the municipality have a system of internal controls over bank- and debt accounts, receipting-, withdrawal- and debt transactions.

The Internal Audit department should advise the municipal manager and evaluate and report on compliance with the above, at least on an annual basis.

7. DEBT

7.1. Debt Management

The Municipal Manager is responsible for the administration of all debt procedures and must take all reasonable steps to ensure that debts are managed in compliance with all audit requirements and any legal requirements included as prescribed in the Municipal Finance Management Act, 2003 and in particular Chapter 6 of the Act.

The Municipal Manager may delegate the duties, linked to investments, as per paragraph 5 of this policy.

7.2. Debt Ethics

All officials involved in the debt management process must act with fidelity, honesty, integrity and in the best interest of the municipality and must strive, within the sphere of influence of the officials, to prevent any impairment of the debt of the municipality and other municipalities' good name and solvency problems.

No officials involved in the debt management process should use his or her position or privileges as, or confidential information obtained officials in the process for personal gain or unfair advantage to another person.

The Municipal Manager must report as soon as practicable to the Mayor as well as the National Treasury any alleged violation of the above and may also make recommendations whether the alleged offending party must be listed on the National Treasury's database of persons prohibited from doing any business with the public sector. Any such report by the Municipal Manager must complete details of the alleged violation and a written response from the alleged offending party, as proof that the alleged offending party did receive the allegations in writing and had at least 7 (seven) working days to respond to the allegations.

Any sponsor, offered or granted to the municipality must be immediately reported to the National Treasury.

7.3. Types of Debt

7.3.1. Short-term Debt

To ensure that the municipality has sufficient cash to meet the objectives of local government, as contained in Article 152 of the Constitution of the Republic of South Africa (Act 108 of 1996), it is sometimes necessary to obtain short-term financing in order to finance cash shortages in a financial year to cover the bridging operation and / or temporary capital financing.

Short-term debts may only be incurred if the Council is convinced that it will be refunded during the financial year and a report to the Council should indicate how and

when it will be repaid, with specific reference to the conditions set in Article 45 of the Act on Local Government: Municipal Finance Management Act (Act No. 56 of 2003).

No debt agreement for short-term debts may be incurred for a period that expires after the end of the financial year in which they are incurred. The Municipal Manager must, as part of the budgeting, determine in time whether the Council will need short term debt for the new financial year ahead and take such steps to ensure that the Council could consider a debt agreement before the date on which the Council will require such financing.

By considering the cash flow of the municipality it must be provided for emergency situations that additional cash may be needed and should be kept in mind to determine whether the Council should enter into short-term debts.

Nothing prevents the Municipal Manager to, if it appears that during the financial year a cash shortage arises, obtain approval from the Council for the introduction of short-term debts. However if it will not be repaid in the same financial year as a result of under-performance in terms of credit control or over expenditure, the Council will not be able to approve such agreement.

The conditions set out in Chapter 6 of the Act on Local Government: Municipal Finance Management, 2003 (Act No. 56 of 2003) must at all times be complied with by the Municipal Manager.

7.3.2. Long-term Debt - Capital Asset

The Council has an obligation to acquire assets and to maintain it in order to ensure service delivery, however it is not always possible for the Council to finance these assets from its own cash reserves. It is for this purpose that the Council may incur long-term debt.

No capital projects may be entered into before the financing sources have been considered, approved and are available. For the purposes of this, "available" means a legally enforceable document in the municipality's possession that guarantees the funding. Short-term bridging finance for capital expenditure may be incurred in anticipation of the disbursement of the long-term debt, provided that the long-term financing is "available" and the conditions for engaging in short-term debts, as per par.7.3.1. above, are met.

The cost of long-term assets which may be incurred include the cost of securities, finance costs, advertising, legal, advisory, trustee, credit ratings and other costs of finance, professional services, where it directly applicable to the project and other amounts that the Minister of Finance may approve.

The terms of repayment of any debt must be calculated according to the expected useful life of the assets financed with the debt.

No long-term debt may be incurred if it is not compatible with the municipality's capital budget, excluded for refinancing.

7.3.3. Long-term Debt – Refinancing

The municipality is, in terms of Section 46 (5) of the Act on Local Government: Municipal Finance Management Act, 2003, allowed refinancing of long-term debt with the aim to save on the cost of debt. The Municipal Manager may, for this purpose, at least annually and as part of the budget process evaluate and report to the Council about the cost of existing debt, or if the refinancing is a benefit to the municipality. As part of the evaluation, the Municipal Manager should consider if a once-off payment at the end of the loan period would not be more favorable to the municipality if the repayments are invested in an investment fund with reasonable projected return on such investment.

Refinancing may only be for long-term debt which has been incurred lawfully in the past and with the further condition that the loan period does not exceed the expected lifespan of the assets financed thereby.

7.4. Security for Debt

It is common practice that investors or financiers required security for granting loans. The municipality will provide security for the inclusion of debt, as set out in section 48 of the Act on Local Government: Municipal Finance Management Act, 2003, but the Council will consider each form of security, together with the debt agreement.

7.5. Procedures for debt approval and securities

The procedures for approval of debt and debt security as defined in Chapter 6 of the Act on Local Government: Municipal Finance Management Act, 2003, as amended from time to time. For completeness of this policy is shown below:

7.5.1. Short-term Debt

“45 (2) A municipality may incur short-term debt only if –

- (a) a resolution of the municipal council, signed by the mayor, has approved the debt agreement; and
- (b) The accounting officer has signed the agreement or other document which creates or acknowledges the debt.”

7.5.2. Long-term Debt

“46 (2) A municipality may incur long-term debt only if –

- (a) A resolution of the municipal council, signed by the mayor, has approved the debt agreement; and
 - (b) The accounting officer has signed the agreement or other document which creates or acknowledges the debt.
- (3) A municipality may incur long-term debt only if the accounting officer of the municipality –
- (a) has, in accordance with section 21A of the Municipal System Act-
 - (i) at least 21 days prior to the meeting of the council at which approval for the debt

is to be considered, made public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided; and

- (ii) invited the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt; and

- (b) Has submitted a copy of the information statement to the municipal council at least 21 days prior to the meeting of the council, together with particulars of-

- (i) The essential repayment terms, including the anticipated debt repayment schedule; and
- (ii) The anticipated total cost in connection with such debt over the repayment period."

7.5.3. Security

- "48 (3) A council resolution authorising the provision of security in terms of subsection (2) (a) –

- (a) must determine whether the asset or right with respect to which the security is provided, is necessary for providing the minimum level of basic municipal services; and

- (b) if so, must indicate the manner in which the availability of the asset or right for the provision of that minimum level of basic municipal services will be protected.

- (4) If the resolution has determined that the asset or right is necessary for providing the minimum level of basic municipal services, neither the party to whom

the municipal security is provided, nor any successor or assignee of such party, may, in the event of a default by the municipality, deal with the asset or right in a manner that would preclude or impede the continuation of that minimum level of basic municipal services.

- (5) A determination in terms of subsection (3) that an asset or right is not necessary for providing the minimum level of basic municipal services is binding on the municipality until the secured debt has been paid in full or the secured obligations have been performed in full, as the case may be."

7.6. Cost of Debt

The municipality must guard that the cost of long-term debt do not rise to such a level that it have a remarkable negative effect on taxes or other municipal charges such as maintenance. The maximum percentage of the operating budget for the repayment of debt must be calculated in the municipality's long-term budget with thorough consideration of the needs identified in the Integrated Development Plan, the cost of new or replacement of existing infrastructure and equipment and other administrative needs.

7.7. Competitive Bidding

The Municipal Manager should adhere to the process as per Supply Chain policy when considering the biddings received. For purposes of marking in terms of costs, the expected interest debt over the full term of the proposed debt agreement must be calculated and used as the basis for the 80/20 and 90/10 allocations.

7.8. Types of Debt and Financing sources

The types of debt that may be incurred and the debt financing of which may be incurred are as follows:

7.8.1. Types of Short-term Debt

- Bank overdraft
- Short Term Loans
- Marketable Bonds
- Non-Marketable Bonds

- Other Securities

7.8.2. Types of Long-term Debt

- Long-Term Loans
- Installment Credits
- Finance Leasing
- Marketable Bonds
- Non-Marketable Bonds
- Other Securities

7.8.3. Financing Sources

- Public
- Banks
- Development Bank of South Africa
- Infrastructure Finance Corporation
- Public Investment Commissioners
- Insurance Companies
- Municipal Pension Funds
- Other Public Pension Funds
- Bond Trusts
- Internal Funds
- Other Sources

7.9. Commission or Cost

No Commission is payable to an officer, councilor or board member, or spouse to, business partner or immediate relative of an officer, councilor or board member by an institution, investors or financiers, for any reference made by them.

Any commission, fee or other compensation paid to any person by an institution must be certified to the municipality by the institution through a certificate. Any quotation / tender to the municipality given by an institution must be net of fees, commissions or rewards, but also need to include commission, rewards or costs, that will be paid in respect of the debt.

7.10. Performance

The Municipal Manager must annually measure and report to the Council on the performance of its debt in terms of the stipulated objectives of this policy.

7.11. Forbidden activities

- No debt may be made otherwise than in the name of the municipality.
- Money cannot be borrowed for the purpose of investments.
- No person, including officers, councillors and board members, may interfere or attempt to interfere in the management of the municipality's debt by the Municipal Manager or anybody delegated by the Municipal Manager;
- No debt may be made in any other currency than the South African Rand, and that is not linked, or is affected by any change in the value of the Rand against any foreign currency.
- No debt shall be made for expenses not related to the functions and powers of the municipality.

7.12. Reporting

The Municipal Manager may request at any time a report setting out the detail of each debt portfolio

The above report must be in the format provided by National Treasury for reporting and monitoring of debt.

8. Review of the Policy

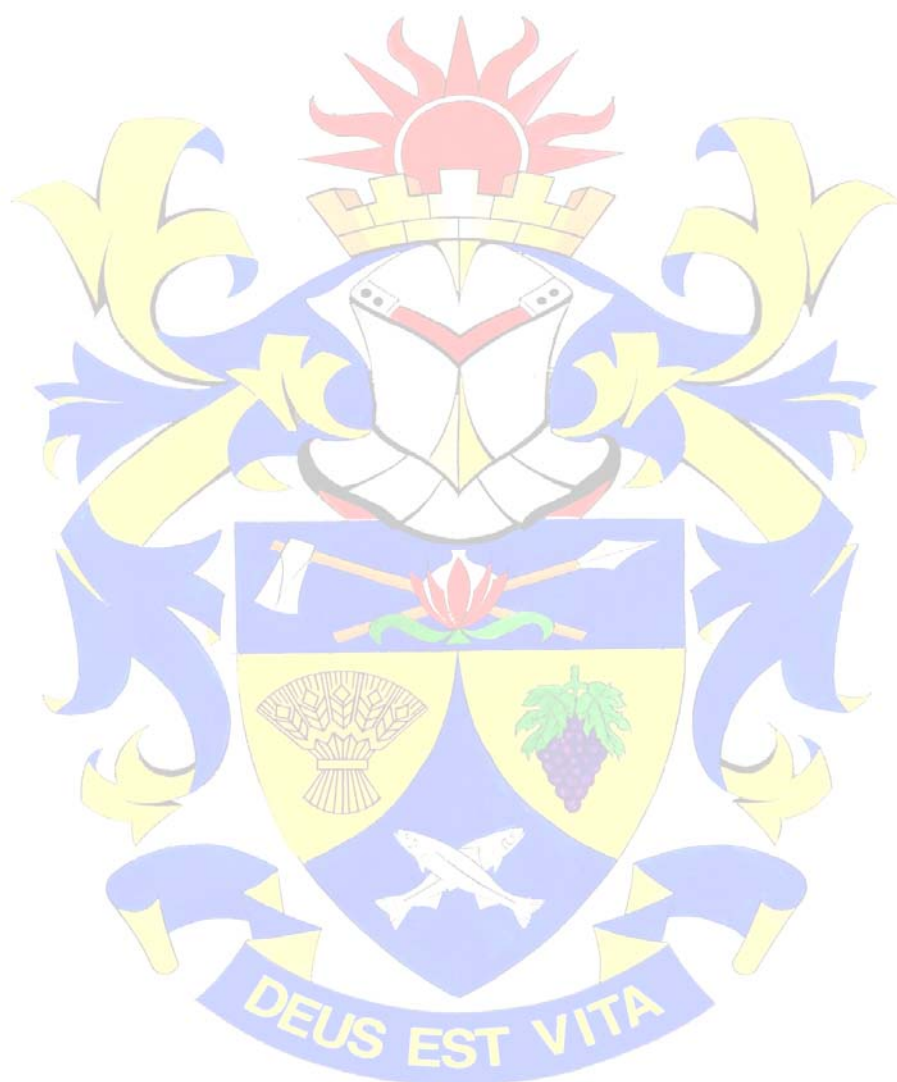
This Debt Policy is the only policy of the municipality and replaces any past policies in this regard. Any revision of the policy must be approved by the Municipal Council.

All proposed changes to this policy should be tabled by the Mayor as part of the annual review of policies and budget documentation.

Whenever the Minister of Finance or the National Treasury or the Auditor – General requests changes to the policy by way of legislation, changes to GRAP or otherwise, it must be reviewed and submitted for consideration by the Council. Such submission must be accompanied with a full description of the reasons for the change to the policy.

BERGRIVIER

Munisipaliteit / Municipality



FUNDING, RESERVES AND LONG-TERM FINANCIAL PLANNING POLICY

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Version: First Draft

Date: 14 March 2014

Summary: This document describes the Funding and Reserves Policy that will be applicable to the municipality, detailed.

Approved: This policy was approved by the Municipal Council on 27 May 2014

Signature: _____ **Date:** _____

Municipal Manager

FUNDING, RESERVES AND LONG-TERM FINANCIAL PLANNING POLICY

1. INTRODUCTION AND OBJECTIVE

The Council sets as objective a long term financially sustainable municipality with acceptable levels of service delivery to the community.

This policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

2. SECTION A: FUNDING POLICY

2.1 LEGISLATIVE REQUIREMENTS

In terms of Sections 18 and 19 of the Municipal Finance Management Act (Act No 56 of 2003) (MFMA), an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes. and
- Borrowed funds, but only for capital projects.

Furthermore, spending on a capital project may only be commenced once the funding sources have been considered, are available and have not been committed for other purposes.

The requirements of the MFMA are therefore clear in that the budget must be cash – funded i.e. cash receipts inclusive of prior cash surpluses must equal or be more than cash paid.

In determining whether the budget is actually cash funded and in addition ensuring long term financial sustainability, the municipality will use analytical processes, tools and benchmarks, including those specified or developed by the National- and Provincial Treasuries, from time to time.

2.2 STANDARD OF CARE

Each functionary in the budgeting and accounting process must do so with judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise to the management of his or her own finances with the primary objective of ensuring that the objectives of this policy are achieved.

2.3 STATEMENT OF INTENT

The municipality will not pass a budget which is not cash – funded or where any of the indicators as listed in this document are negative, unless acceptable reasons can be provided for non-compliance, provided that the requirements of the MFMA must at all times be adhered to.

2.4 CASH MANAGEMENT

Cash must be managed in terms of the municipality's Cash Management and Investment Policy.

2.5 DEBT MANAGEMENT

Debt must be managed in terms of the municipality's Debt Management Policy, together with any requirements in this policy.

2.6 FUNDING THE OPERATING BUDGET

2.6.1 INTRODUCTION

The municipality's objective is that the user of municipal resources must pay for such usage in the period it occurs.

The municipality however, recognises the plight of the poor, and in line with national and provincial objectives, the municipality commits itself to subsidised services to the poor. This may necessitate cross subsidisation in tariffs to be calculated in the budget process.

2.6.2 GENERAL PRINCIPLE WHEN COMPILING THE OPERATING BUDGET

The following specific principles apply when compiling the budget:

- a) The budget must be cash – funded, i.e. revenue and expenditure projections must be realistic and the provision for impairment of receivables must be calculated on proven recovery rates;
- b) Growth parameters must be realistic and be based on historic patterns adjusted for current reliable information;
- c) Tariff adjustments must be fair, taking into consideration general inflation indicators and guidance from National Treasury;
- d) Revenue from Government Grants and Subsidies must be in accordance with the amounts promulgated in the Division of Revenue Act, proven

provincial transfers and any possible transfers to or from other municipalities.

For the purpose of the Cash flow budget any National or Provincial grants that have been re-appropriated for roll-over purposes must be excluded from the calculation as it must be included in changes in Cash and Cash Equivalents and Payables.

Furthermore, in the budget the total grants recognised as revenue must equal the total expected expenditure from grants, inclusive of capital expenditure and VAT as per directive given in MFMA circular 48.

- e) Projected revenue from services charges must be reflected as net (all billing less revenue foregone, which is free basic services, discounts and rebates).
- f) Projected revenue from property rates must include all rates to be levied, but rebates and discounts must be budgeted for as revenue foregone as per directive in MFMA Budget Circular 51, depending on the conditions of the exemption, rebate or reduction.

For the purpose of the Cash flow Budget all rebates and discounts must be deducted from the projected revenue.

- g) Only changes in fair values related to cash may be included in the cash flow budget. Changes to unamortised discount must be included in the Operating Budget but excluded in the cash flow budget.
- h) Employee related costs include contributions to non-current and current employee benefits. It is acknowledged that the non-current benefits' requirements are well above the cash capabilities of the municipality, and it is therefore determined that provision for the short term portion of employee benefits, be included in the operating budget, in order to build sufficient cash for the requirements.
- i) Depreciation must be fully budgeted for in the operating budget.

In order to ensure a sufficient accumulation of cash for the replacement of Property, Plant and Equipment and Intangible Assets, the amount of depreciation on assets funded from own sources, excluding assets funded from grants, public contributions and external loans must be reflected as a surplus on the cash flow budget.

- j) Contributions to provisions (non-current and current) do not form part of the cash flow. It is however, necessary to provide for an increase in cash resources in order to comply with the conditions of the provision at the time when it is needed.

It is therefore a requirement that the contribution to current provisions is budgeted as cash surpluses until the necessary funding level is obtained.

2.7 FUNDING THE CAPITAL BUDGET

2.7.1 INTRODUCTION

The municipality's objective is to maintain, through proper maintenance and replacement measures, existing levels of service and to improve and implement services which are neglected or non – existent.

In order to achieve this objective the municipality must annually, within financial means, budget for the replacement of redundant assets as well as new assets.

2.7.2 FUNDING SOURCES FOR CAPITAL EXPENDITURE

The capital budget can be funded by way of own contributions, grants, public contributions as well as external loans.

Own Contributions

The capital budget financed from own contributions must primarily be funded from the Capital Replacement Reserve.

The Capital Replacement Reserve should be at least equal to the expected capital expenditure financed from the Capital Replacement Reserve in the following year.

Grants (Including Public Contributions)

Grants for capital expenditure have become a common practice, especially in order to extend service delivery to previously disadvantaged areas. While such grants are welcomed, care should also be taken that unusual grant funding does not place an unreasonable burden on the residents for future maintenance costs which may be higher than their ability to pay.

It is therefore determined that the accounting officer must evaluate the long term effect of unusual capital grants on future tariffs, and if deemed necessary, report on such to Council.

It is furthermore determined that the depreciation charges on assets financed from grants and donations must not have a negative effect on tariffs charged to the users of such assets. The Accounting Officer must put such accounting measures, including the use of the Equitable Share, in place to comply with this requirement, to a reasonable extent.

External Loans

The municipality may only raise loans in accordance with its Debt Management Policy.

The Accounting Officer must also put such accounting measures in place to ensure that no unspent portions of loans are utilised for operating purposes.

For budgeting purposes any difference between proposed capital spending from loans and proposed loans raised must be included in the cash surplus for the year but excluded from the calculation whether the budget is credible.

2.8 FUNDING COMPLIANCE MEASUREMENT

2.8.1 INTRODUCTION

The municipality wants to ensure that the budget or adjustments budget complies with the requirements of the MFMA and this policy. For this purpose a set of indicators must be used as part of the budget process and be submitted with the budget. These indicators include all the indicators as recommended by the National- and Provincial Treasuries as well as reconciliations according to this policy. Any additional indicators recommended by the said Treasuries in future must also be taken into account, as well as any additional reconciliation items as either determined by the Council or the Accounting Officer.

If any of the indicators are negative during the compilation or approval process of the budget, the budget may not be approved until all the indicators provide a positive return, unless any negative indicators can be reasonably explained and future budget projections address the turn-around of these indicators to within acceptable levels.

2.8.2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

A positive Cash and Cash Equivalents position throughout the year is crucial. In addition, the forecasted cash position at year-end must at least be the amount as calculated in the Reconciliation of Cash Requirements as determined by this policy and attached to this policy as Appendix "A".

2.8.3 CASH PLUS INVESTMENTS LESS APPLICATION OF FUNDS

The overall cash position of the municipality must be sufficient to include:

- unspent conditional grants;
- unspent conditional public contributions;

- unspent borrowings;
- vat due to SARS;
- secured investments;
- the cash portion of statutory funds such as the Housing Development Fund;
- other working capital requirements; and
- In addition, it must be sufficient to back reserves as approved by the municipality and the portions of provisions as indicated elsewhere in this policy.

2.8.4 MONTHLY AVERAGE PAYMENT COVERED BY CASH AND CASH EQUIVALENTS ("CASH COVERAGE")

This indicator shows the level of risk should the municipality experience financial stress.

2.8.5 SURPLUS/DEFICIT EXCLUDING DEPRECIATION OFFSETS

It is almost certain that the operating budget, which includes depreciation charges on assets funded by grants and public contributions, as well as on revalued assets, will result in a deficit.

As determined elsewhere in this policy it is not the intention that the users of the assets funded from grants, public contributions and revaluations must be burdened with tariff increases to provide for such depreciation charges. In order to ensure a "balanced" budget but excluding such depreciation charges, the depreciation charges may be offset against the net surplus / deficit.

Should the budget result in a deficit after the offsetting, the budget will be deemed unfunded and must be revised.

2.8.6 PROPERTY RATES/SERVICE CHARGE REVENUE PERCENTAGE INCREASE LESS MACRO INFLATION TARGET

The intention of this indicator is to ensure that tariff increases are in line with macro economic targets, but also to ensure that revenue increases for the expected growth in the geographic area is realistically calculated.

The formula to be used is as follows:

	DESCRIPTION	PROPERTY RATES	SERVICE CHARGES	TOTAL
A	Revenue of budget year	R XX	R XX	R XX
B	Less: Revenue of prior year	R XX	R XX	R XX
C	=Revenue increase/decrease	R XX	R XX	R XX
D	% Increase/(Decrease)	C/B %	C/B %	C/B %
E	Less: Upper limit of macro Inflation target	%	%	%
F	=Growth in excess of inflation target	%	%	%
G	Less: Expected growth %	%	%	%
H	=Increase attributed to tariff Increase above macro inflation target	%	%	%

In the event that the percentage in (h) above is greater than zero, a proper motivation must accompany the budget at submission, or the budget must be revised.

2.8.7 **CASH COLLECTION % RATE**

The object of the indicator is to establish whether the projected cash to be collected is realistic and complies with section 18 of the MFMA.

The collection rate for calculating the provision for impairment of receivables must be based on past and present experience. Past experience refers to the collection rates of the prior years and present experience refers to the collection rate of the current financial year as from 1 July.

It is not permissible to project a collection rate higher than the rate currently being obtained, even if the municipality recently approved a debt collection policy or implemented additional debt collection measures. Any improvement in collection rates during the budget year may be appropriated in an Adjustment Budget.

2.8.8 **DEBT IMPAIRMENT EXPENSE AS A PERCENTAGE OF BILLABLE REVENUE**

This indicator provides information whether the contribution to the provision for impairment of receivables is adequate. In theory it should be equal to the difference between 100% and the cash collection rate, but other factors such as

past performance might have an influence on it. Any difference, however, must be motivated in the budget report.

2.8.9 CAPITAL PAYMENTS AS A PERCENTAGE OF CAPITAL EXPENDITURE

This indicator provides information as to the timing for payments on capital projects and utilising allowed payment terms.

2.8.10 BORROWING AS A PERCENTAGE OF CAPITAL EXPENDITURE (EXCLUDING GRANTS AND CONTRIBUTIONS)

This indicator provides information as to compliance with the MFMA in determining borrowing needs. The Accounting Officer must ensure compliance with the Municipality's Debt Management Policy.

2.8.11 GRANTS REVENUE AS A PERCENTAGE OF GRANTS AVAILABLE

The percentage should never be less than 100% and the recognition of expected unspent grants at the current year-end as revenue in the next financial year must be substantiated in a report.

2.8.12 CONSUMER DEBTORS CHANGE (CURRENT AND NON - CURRENT)

The object of the indicator is to determine whether budgeted reductions in outstanding debtors are realistic.

An unacceptable high increase in either current– or non– current debtors' balances should be investigated and acted upon.

2.8.13 REPAIRS AND MAINTENANCE EXPENDITURE LEVEL

It is of utmost importance that the municipality's Property Plant and Equipment and Investment Properties be maintained properly, in order to ensure sustainable service delivery. The budget should allocate sufficient resources to maintain assets and care should be exercised not to allow a declining maintenance program in order to fund other less important expenditure requirements.

Similarly, if the maintenance requirements become excessive, it could indicate that a capital renewal strategy should be implemented or reviewed.

As a general benchmark the maintenance budget should be between 4% and 8% of the carrying value of assets.

2.8.14 ASSET RENEWAL/REHABILITATION EXPENDITURE LEVEL

This indicator supports further the indicator for repairs and maintenance.

The Accounting Officer must, as part of the capital budget, indicate whether each project is a new asset or a replacement/renewal asset in order to determine whether the renewal program is sufficient or needs revision. As a general benchmark, and in line with National Treasury directives, should not be least than 40% of the capital budget must be allocated to the renewal of existing assets.

2.8.15 FINANCIAL PERFORMANCE BUDGET

Although it is not a legal requirement that the financial performance budget should balance, it only makes management sense that it should balance.

A number of line-items influence the net result of the financial performance budget. It includes capital grant revenue, depreciation charges including those where assets were funded from grants and public contributions, unamortised discounts and gains/losses on the disposal of Property Plant and Equipment. These items need to be taken into consideration in order to establish if the operating budget is realistic and credible.

2.8.16 FINANCIAL POSITION BUDGET

This indicator provides an overall view of the projected financial position over the periods of the Medium Term Expenditure framework, including movements in inventory and payables.

2.8.17 CASH FLOW BUDGET

A positive cash flow is a good indicator of a balanced budget, as well as the ability of the municipality to meet its future commitments.

The cash flow budget, however, does not include those items such as contributions to the provisions described elsewhere in this policy, the effect of depreciation charges etc, and care must be taken not to let a projected positive cash inflow lead to additional expenditure requests, without taking the requirements of those items into consideration.

3. SECTION B: RESERVES POLICY

3.1 INTRODUCTION

Fund accounting historically formed a huge part of municipal finance in the IMFO standards.

Since the municipality changed to General Recognised Accounting Practices (GRAP), fund accounting is no more allowed.

The municipality, however, recognises the importance of providing to the municipality itself, as well as its creditors, financiers, staff, and general public a measure of protection for future losses, as well as providing the necessary cash resources for future capital replacements and other current and non-current liabilities.

This policy aims to provide for such measure of protection by creating certain reserves.

3.2 LEGAL REQUIREMENTS

There are no specific legal requirements for the creation of reserves, except for the Housing Development Fund. The National Treasury, in Circular 70 of 2014, recommends that a cash funded reserve be created for non-current provisions. The GRAP Standards itself also do not provide for reserves.

However, the GRAP “Framework for the Preparation and Presentation of Financial Statements” states in paragraph 91 that such reserves may be created, but “Fund Accounting” is not allowed and any such reserves must be a “legal” reserve, i.e. created by law or Council Resolution. The accounting for reserves is specified in GRAP 1 (Presentation of Financial Statements).

3.3 TYPES OF RESERVES

Reserves can be classified into two main categories being “cash funded reserves” and “non – cash funded reserves”.

3.3.1 CASH FUNDED RESERVES

In order to provide for sufficient cash resources for future expenditure, the municipality hereby approves the establishment of the following reserves:

(a) Capital Replacement Reserve (CRR)

The CRR is to be utilised for future capital expenditure from own funds and may not be used for maintenance– or other operating expenditure.

The CRR must be cash-backed and the Accounting Officer is hereby delegated to determine the contribution to the CRR during the compilation of the annual financial statements.

(b) Other statutory reserves

It may be necessary to create reserves prescribed by law, such as the Housing Development Fund. The Accounting Officer must create such reserves according to the directives in the relevant laws.

3.3.2 NON – CASH FUNDED RESERVES

It might be necessary to create non – cash funded reserves for a variety of reasons, including GRAP requirements. The Accounting Officer must create any reserves prescribed by the accounting standards, such as the Revaluation Reserve, if required.

The Accounting Officer is hereby delegated and may also in the discretion of the Accounting Officer, create reserves for future depreciation offsetting, in the absence of a standard similar to IAS 20.

3.4 ACCOUNTING FOR RESERVES

3.4.1 REVALUATION RESERVE

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17.

3.4.2 OTHER RESERVES

The accounting for all other reserves must be processed through the Statement of Financial Performance. The required transfer to or from the reserves must be processed in the Statement of Net Assets to or from the accumulated surplus.

It is a condition of GRAP and this policy that no transactions may be directly appropriated against these reserves.

4. SECTION C: LONG-TERM FINANCIAL PLANNING

4.1 LEGISLATIVE REQUIREMENTS

Paragraph 7(1) of the Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations requires municipalities to have a policy related to long-term financial planning

4.2 PREPARATION AND REVIEW

Bergrivier Municipality decided to prepare their first Long-term Financial Plan, for a 10 year period, before 31 December 2014.

The Long-term Financial Plan should be reviewed annually during the annual budget process.

4.3 ELEMENTS OF LONG-TERM FINANCIAL PLAN

The Long-term Financial Plan should consist of at least the following items:

- (a) Financial assessment of the municipality's demographic, economic, household infrastructure and financial perspectives;
- (b) Future Municipal Revenues
- (c) Future Operational Expenditure
- (d) Demand for Future Capital Expenditure
- (e) Affordability of Future Capital Expenditure
- (f) Funding of Future Capital Expenditure
- (g) Liquidity and Ratio Management

4.4 LIQUIDITY AND RATIO MANAGEMENT

Healthy Liquidity is considered the key factor to effectively managing the financial viability of a municipality in the longer term in conjunction with the necessary financial ratios against which to monitor actual performance.

The norm for each ratio is attached to this policy as Annexure B

5. SECTION D: REVIEW OF THE POLICY

This Funding and Reserves Policy is the only policy of the municipality and replaces any past policies in this regard. Any revision of the policy must be approved by the Municipal Council.

Whenever the Minister of Finance or the National Treasury or the Auditor – General requests changes to the policy by way of legislation, changes to GRAP or otherwise, it must be reviewed and submitted for consideration by the Council on an annual basis. Such submission must be accompanied with a full description of the reasons for the change to the policy.

APPENDIX A

RECONCILIATION OF CASH REQUIREMENTS

Cash flow from operating activities	R XX
Add : Depreciation from own funds	R XX
Add : Contribution to current provisions	R XX
Add : Unspent conditional grants	R XX
Add : Unspent public contributions	R XX
Add : Unspent borrowings	R XX
Add : VAT due to SARS	R XX
Add : Secured investments	R XX
Add : Cash portion of Statutory Reserves	R XX
Add : Working Capital Requirements	R XX
= Minimum Cash Surplus Requirements for the year	R XX

APPENDIX B

1. FINANCIAL POSITION

A. Asset Management

RATIO		FORMULA	DATA SOURCE	NORM/ RANGE
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100	Statement of Financial Position, Notes to the AFS and AR	0%
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) × 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	4% - 8%

B. Debtors Management

1	Collection Rate	$\frac{\text{(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)}}{\text{Billed Revenue}} \times 100$	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR	93%
2	Bad Debts Written-off as % of Provision for Bad Debt	$\frac{\text{Bad Debts Written-off/Provision for Bad debts}}{\text{Provision for Bad debts}} \times 100$	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%
3	Net Debtors Days	$\frac{\text{((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)}}{\text{Revenue}} \times 365$	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days

C. Debtors Management

1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.1 - 2:1

D. Liability Management

1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%

E. Sustainability

1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	$\frac{(\text{Cash and Cash Equivalents} - \text{Bank overdraft} + \text{Short Term Investment} + \text{Long Term Investment} - \text{Unspent grants})}{(\text{Net Assets} - \text{Accumulated Surplus} - \text{Non Controlling Interest Share Premium} - \text{Share Capital} - \text{Fair Value Adjustment} - \text{Revaluation Reserve})} \times 100$	Statement Financial Position, Budget and AR	100%
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2. FINANCIAL POSITION

A. Efficiency

1	Net Operating Surplus Margin	$\frac{(\text{Total Operating Revenue} - \text{Total Operating Expenditure})}{\text{Total Operating Revenue}}$	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%
2	Net Surplus /Deficit Electricity	$\frac{\text{Total Electricity Revenue less Total Electricity Expenditure}}{\text{Total Electricity Revenue}} \times 100$	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%
3	Net Surplus /Deficit Water	$\frac{\text{Total Water Revenue less Total Water Expenditure}}{\text{Total Water Revenue}} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%
4	Net Surplus /Deficit Refuse	$\frac{\text{Total Refuse Revenue less Total Refuse Expenditure}}{\text{Total Refuse Revenue}} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%
5	Net Surplus /Deficit Sanitation and Waste Water	$\frac{\text{Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure}}{\text{Total Sanitation and Waste Water Revenue}} \times 100$	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-	= or > 0%

		Expenditure/Total Sanitation and Waste Water Revenue × 100	Year reports and AR	
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B. Distribution Losses

1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) × 100	Annual Report, Audit Report and Notes to Annual Financial Statements	5% - 10%
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100	Annual Report, Audit Report and Notes to Annual Financial Statements	5% - 10%

C. Revenue Management

1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100	Debtors System	None
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI

D. Expenditure Management

1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%

E. Grant Dependency

1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None

3. BUDGET IMPLEMENTATION

1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In- Year reports and AR	95% - 100%
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In- Year reports and AR	95% - 100%
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In- Year reports and AR	95% - 100%

BERGRIVIER MUNICIPALITY

BUDGET IMPLEMENTATION AND MONITORING POLICY

2016/2017

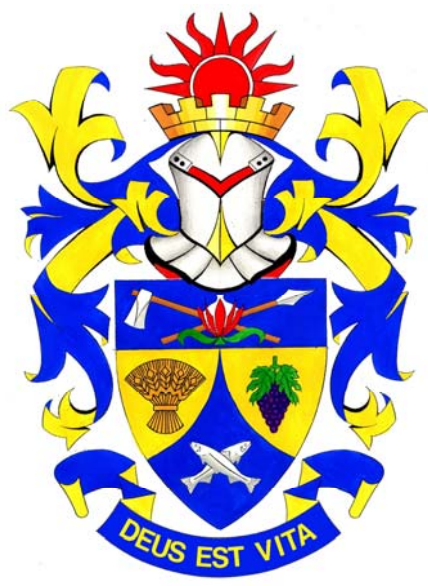


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1. PREAMBLE

In the spirit of the Municipal Finance Management Act, (No.56 of 2003) to modernize budget and financial management practices by placing local government finances on a sustainable footing in order to maximize the capacity of municipalities to deliver services to all residents customers, users and investors and,

Whereas chapter 4 of the Municipal Finance Management Act, (No 56 of 2003) determines that a municipality may, except where otherwise provided in the Act, incur expenditure only in terms of an approved budget; and within the limits of the amounts appropriated for the different votes in an approved budget,

In terms of the Budget and Reporting Regulations the municipality has to adopt a policy which include the following:

1. a policy dealing with the shifting of funds within votes
2. a policy dealing with the introduction of adjustment budgets
3. policies dealing with unforeseen and unavoidable expenditure
4. policies dealing with management and oversight

Therefore the BERGRIVIER Municipality adopted a Budget Policy to give effect to the Budget and Reporting Regulations as set out in this policy.

2. DEFINITIONS

"Accounting officer" means a person appointed in terms of section 82(l) (a) or (b) of the Municipal Structures Act;

"Allocation", means

- (a) a municipality's share of the local government's equitable share referred to in section 214(l)(a) of the Constitution;
- (b) an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;
- (c) an allocation of money to a municipality in terms of a provincial budget; or
- (d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

"Annual Division of Revenue Act" means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

"Approved budget" means an annual budget

- (a) approved by a municipal council, or
- (b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

"Basic Municipal Service" means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"Budget-related Policy" means a policy of a municipality affecting or affected by the annual budget of the municipality, including

- (a) the tariff policy, which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
- (b) the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or
- (c) the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

"Budget steering committee" means a committee established in terms of section 4 of the Municipal Budget and Reporting Regulations, published in Government Gazette 32141 dated 17 April 2009

"Budget transfer" means transfer of funding within a function / vote subject to limitations.

"Budget Year" means the financial year of the municipality for which an annual budget is to be approved in terms of section 16(1) of the MFMA;

"Chief Financial Officer" means a person designated in terms of section 80(2) (a) of the MFMA;

"Councillor" means a member of a municipal council; **"current year"** means the financial year, which has already commenced, but not yet ended;

"Delegation", in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

"Executive mayor" means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act;

"Financial recovery plan" means a plan prepared in terms of section 141 of the MFMA

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"Financial year" means a twelve months period commencing on 1 July and ending on 30 June each year

"Financing agreement" includes any loan agreement, lease, and instalment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

"Fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

"Irregular expenditure", means

- (a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the MFMA, and which has not been condoned by Council
- (b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- (c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or
- (d) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure";

"Investment/s" in relation to funds of a municipality, means

- (a) The placing on deposit of funds of a municipality with a financial institution; or
- (b) The acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

"Local community" has the meaning assigned to it in section 1 of the Municipal Systems Act;

"Municipal Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"Long-term debt" means debt repayable over a period exceeding one year;

"Municipal council" or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

"Municipality"

- (a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- (b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"Municipal service" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

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"Municipal tariff" means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

"National Treasury" means the National Treasury established by section 5 of the Public Finance Management Act;

"Official", means

- (a) an employee of a municipality or municipal entity;
- (b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- (c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

"Overspending"

- (a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- (b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- (c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;
 - 1 July to 30 September;
 - 1 October to 31 December;
 - 1 January to 31 March; or
 - 1 April to 30 June;

"Service delivery and budget implementation plan" means a detailed plan approved by the executive mayor of a municipality in terms of section 53(l)(c)(ii) of the MFMA for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate

- (a) projections for each month of
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
- (b) service delivery targets and performance indicators for each quarter; and
- (c) any other matters that may be prescribed, and includes any revisions of such plan by the executive mayor in terms of section 54(l) (c) of the MFMA;

"Unauthorised expenditure", means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes

- (a) overspending of the total amount appropriated in the municipality's approved budget;
- (b) overspending of the total amount appropriated for a vote in the approved budget;
- (c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- (d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- (e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or

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(f) a grant by the municipality otherwise than in accordance with the MFMA;

"Quarter" means any of the following periods in a financial year: **"virement"** refer to the definition of budget transfer

"Vote" means

(a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and

(b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

3. OBJECTIVES OF POLICY

The policy sets out the budgeting principles which BERGRIVIER Municipality will follow in preparing and implementing each annual budget. This policy shall give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the planning, preparation and approval of the annual and adjustments budgets. The policy shall apply to all staff and councillors of the BERGRIVIER Municipality that are involved in budget implementation.

4. BUDGET PRINCIPLES

The municipality shall ensure that revenue projections in the budget are realistic taking into account actual collection levels. The expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.

BERGRIVIER Municipality shall prepare a three-year budget (medium term revenue and expenditure framework (MTREF)) which will be reviewed annually and will be approved by Council. The MTREF budget will at all times be within the framework of the Municipal Integrated Development Plan (IDP).

The annual budget will consist of a Capital and Operating Budget which will be discussed below:

4.1. Capital Budgets

The capital budget refers to the allocations made to specific infrastructural projects and the purchase of equipment and other forms of assets having a lifespan of more than one year.

4.1.1. Basis of Calculation

- a) The **zero based method** is used in preparing the new MTREF capital budget, except in cases where a contractual commitment has been made that would span over more than one financial year.
- b) The annual capital budget shall be based on realistically anticipated revenue (capital loans to be taken up will be deemed to be part of this), which should be equal to the anticipated capital expenditure in order to result in a balanced budget.
- c) The impact of the capital budget on the current and future operating budgets in terms of finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets and any other operating expenditure to be incurred resulting directly from the capital expenditure, should be carefully

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analyzed when the annual capital budget is being compiled.

- d) In addition, the council shall consider the likely impact of such operational expenses-net of any revenues expected to be generated by such item-on future property rates and service tariffs.

4.1.2. Financing

Own Financing Sources

The Council shall establish a Capital Replacement Reserve (CRR) for the purpose of financing capital projects and the acquisition of capital assets. Such reserve shall be established from the following:

- a) Inappropriate cash-backed surpluses to the extent that such surpluses are not required for operational purposes
- b) Further amounts appropriated as contributions in each annual or adjustments budget; and

Other Finance Sources

The Ad-Hoc capital budget shall be financed from external sources such as the following:

- a) Grants and subsidies as allocated in the annual Division of Revenue of Act
- b) Grants and subsidies as allocated by Provincial government.
- c) External Loans
- d) Private Contributions
- e) Any other financing source secured by the local authority.

4.1.3. Process and responsible parties

The process to be followed in the compilation of the capital budget is as follows:

- a) The CFO, in conjunction with the Manager: Budget Office, and after consultation with the Portfolio Councillor of Finance sets the realistic growth level of the capital budget to be financed out of own sources (CRR).
- b) The draft capital budget is compiled based on the projects that emanated out of the engagements with the different stakeholders.
- c) The CFO, together with the Manager: Budget Office, engage with the Directors and the IDP Manager in order to determine the priorities for a particular financial year and to determine the ranking of projects based on these priorities.
- d) The draft capital budget is submitted to the Budget Steering Committee for their perusal and suggestions.
- e) The draft capital budget is tabled to Council 90 days before the start of the new financial year 31 March.
- f) After the draft budget is approved by Council, it is released for public comment.
- g) Once the comments from the public have been submitted, noted and considered, amendments are made to the draft budget and the budget is tabled to Council for

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final approval 30 days before the start of the financial year (30 May).

4.1.4. Implementation

- a) After the budget has been approved, the service delivery and budget implementation plan (SDBIP) should be compiled.
- b) The SDBIP must be tabled to the Mayor within 28 days after aforementioned approval.
- c) Each director has to indicate the intended spending patterns of both their capital and operating budgets. (Cash flows)
- d) These listed cash flows are consolidated into the Service Delivery and Budget Implementation Plan of the organisation.
- e) The SDBIP will be monitored on a monthly basis where actual spending will be compared with the planned spending as indicated by the directors at the beginning of the year.
- f) Each directorate can use their respective vote numbers as indicated on the capital budget

4.2. Operational Budget

The operational budget refers to the funds that would be raised in the delivery of basic services, grants and subsidies and any other municipal services rendered. These funds are in turn used to cover the expenses incurred in the day to day running of the organization.

4.2.1. Basis of Calculation

- a) The **zero based approach** is used in preparing the annual operating budget, except in cases where impractical. In these instances the incremental method will be followed.
- b) The annual operating budget shall be based on realistically anticipated revenue.
- c) An income based approach shall be used whereby realistically anticipated income is determined first and the level of operating expenditure would be based on the determined income flows.

4.2.2. Financing

The operating budget shall be financed from the following sources:

- a) Service Charges
 - (i) Electricity Charges
 - (ii) Water Sales
 - (iii) Refuse Removal Fees
 - (iv) Sewerage Fees
 - (v) Property Rates
- b) Taxes: Increases in tariffs and rates will as far as possible be limited to inflation plus an additional percentage increase to accommodate the growth of the town.

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- c) Grants and Subsidies: Grants and subsidies shall be based on all the gazetted grants and subsidies plus all other subsidies received by the organization.
- d) Interest on Investments: The budget for interest and investment shall be in accordance with the Cash Management and Investment policy of the organization.
- e) Rental Fees: Income from rental property will be budgeted for based on the percentage growth rate as determined by Financial Services for a particular budget year
- f) Fines: Income from fines will be budgeted for based on the actual income received in the preceding year (calculated on the basis of actual receipts until end of February of each year, extrapolated over 12 months) and the percentage growth rate as determined by Financial Services for a particular budget year
- g) Other Income: All other income items will be budgeted for based on the actual income received in the preceding year (calculated on the basis of actual receipts until end of February of each year, extrapolated over 12 months) and the percentage growth rate as determined by Financial Services for a particular budget year
- h) Notwithstanding the aforementioned, National and other benchmarks and ratios shall also be utilized to prevent uncontrolled negative growth of this source of income

4.2.3. Budget Categories

The following expenditure categories shall be accommodated in the operating budget.

- a) Salaries, Wages and Allowances The salaries and allowances are calculated based on the percentage increases as per the collective agreement between organised labour and the employer for a particular period. The remuneration of all political office bearers is based on the limitations and percentages as determined by the responsible National Minister.
- b) Collection Costs: It refers to costs attributed to the maintenance of the financial system used for the collection of outstanding amounts and is based on the service level agreement.
- c) Depreciation: The above is calculated at cost, using the straight line method, to allocate their cost to their residual values over the estimated useful lives of the assets
- d) Interest External Borrowings: The above refers to interest that has to be paid on an external loan taken up by Council. The budget will be determined by the repayments that the municipality is liable for based on the agreements entered into with the other party.
- e) Bulk Purchases: The expenditure on bulk purchases shall be determined using the tariffs as stipulated by NERSA and by any other service provider from time to time.
- f) Other General Expenditure: A percentage growth for all other general expenditure will be based on the percentage determined by Financial Services in line with prevailing growth rates, CPI and prior actual expenditure trends.
- g) Repairs and Maintenance: The budget of repairs and maintenance shall be based on

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the increment as determined by Financial Services in conjunction with the needs of the departments in terms of repairing their assets.

- h) Contributions to Funds: Refers to the contribution made to provisions (e.g. leave reserve fund) on annual basis and are determined based on the actual expenditure in the previous year and any other factor that could have an effect.
- i) Less: Debited Elsewhere This category refers to interdepartmental charges within the organization. The performance of each of line item is analyzed where after the budget is based on the preceding year's performance.
- j) Appropriations: Refers to the transfers to-and from the Capital Replacement Reserve, to offset depreciation charges. Appropriations are determined on an annual basis.

4.2.4. Process

- a) The CFO, in conjunction with the Budget Steering Committee, set the reasonable growth level of the operational budget based on the current financial performance and the prevailing industry growth levels. (i.e. CPI).
- b) After the income has been determined, an acceptable growth level for the operating expenditure is determined and the principles informing the compilation of the draft operating budget are discussed at directors forum.
- c) The draft operating budget is compiled based on realistically anticipated revenue resulting from detailed income modelling exercises.
- d) The draft operating budget is submitted to the Steering Committee for consideration.
- e) The draft operating budget is tabled to Council 90 days before the start of the new financial year (31 March).
- f) After the draft operating budget is approved by Council, it is released for public comment.
- g) Once the comments from the public have been submitted, same is considered in terms of the MFMA, where after the final budget is tabled to Council for approval, at least 30 days before the start of the new financial year (31 May)

4.2.5. Implementation

- a) The draft SDBIP must be submitted with the draft budget as per the new treasury guideline and can be refined after budget approval
- b) The SDBIP must be tabled to the Mayor within 28 days after aforementioned approval.
- c) Each director has to indicate the intended spending patterns of both their capital and operating budgets. (Cash flows)
- d) These listed cash flows are consolidated into the Service Delivery and Budget Implementation Plan of the organisation.
- e) The SDBIP will be monitored on a monthly basis where actual spending will be compared with the planned spending as indicated by the directors at the beginning

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of the year.

- f) Each directorate can use their respective vote numbers as indicated on the capital budget.
- g) The principles of efficient, effective and economic implementation should at all times be applied.
- h) Standard for income and expenditure where such have been determined via NT Circulars shall be adhered to, eg Water losses and electricity distribution allowable losses.

5. Adjustments Budget

- a) An adjustments budget will be compiled only once a year if intended adjustments fall in one of the following categories:
 - i. to appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
 - ii. to authorise the utilisation of projected savings in one vote towards spending under another vote;
 - iii. to authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
 - iv. to correct any errors in the annual budget. The adjustments budget for above mentioned categories will be tabled to council at any time after the mid-year budget and performance assessment but not later than 28 February of the that financial year.
- b) An adjustments budget will be compiled more than once a year if intended adjustments fall in one of the following categories:
 - i. to adjust the revenue and expenditure downwards if there is material under collection of revenue during the current year
 - ii. to appropriate additional revenues from National and Provincial Government that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for;
 - iii. to authorise unforeseeable and unavoidable expenditure recommended by the mayor to authorise unauthorised expenditure as anticipated by section 28(2)(g) of the MFMA
 - iv. to authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council

- vi. to correct any errors in the annual budget

The adjustments budgets for above mentioned categories will be tabled to council at the first available opportunity after above mentioned events occurred.

- c) The adjustments budget will be treated in the same manner as the annual budget in terms of calculation and implementation.

- d) The adjustments budget must be approved by Council.

6. BUDGET IMPLEMENTATION

6.1 Monitoring (Section 71 of MFMA)

The Accounting Officer with the assistance of the Chief Financial Officer and other senior managers is responsible for the implementation of the budget, and must take all reasonable steps to ensure that:

- i. funds are spent in accordance with the budget;
- ii. expenses are reduced if expected revenues are less than projected; and
- iii. revenues and expenses are properly monitored.

6.2 Reporting

6.2.1 Monthly budget statements (Section 71 of the MFMA)

The Accounting Officer with the assistance of the Chief Financial Officer must, not later than ten working days after the end of each calendar month, submit to the Executive Mayor and Provincial and National Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.

This report must reflect the following:

- i. actual revenues per source, compared with budgeted revenues;
- ii. actual expenses per vote, compared with budgeted expenses;
- iii. actual capital expenditure per vote, compared with budgeted expenses;
- iv. actual borrowings, compared with the borrowings envisaged to fund the capital budget;
- v. the amount of allocations received, compared with the budgeted amount;
- vi. actual expenses against allocations, but excluding expenses in respect of the equitable share;
- vii. explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;
- viii. the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
- ix. projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.

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The Executive Mayor must submit to Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality. The report submitted to National and Provincial Treasury must be both in electronic format and in a signed written document.

6.2.3 Mid-year budget and performance assessment (Section 72 and 88 of MFMA)

The Accounting Officer must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan. The Accounting officer must then submit a report on such assessment to the Executive Mayor by 25 January each year and to Council, Provincial Treasury and National Treasury by 31 January each year.

The Accounting Officer may in such report make recommendations after considering the recommendation of the Chief Financial Officer for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

7. REVIEW OF POLICY

This policy took effect on 1 July 2015 (excluding the amended sections for consideration) and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives, good governance, and prudent expenditure management and with relevant legislation.